DRAFT
Navy ERP 2008 Update

ASSISTANT SECRETARY OF THE NAVY
FINANCIAL MANAGEMENT AND COMPTROLLER
Office of the Assistant Secretary of the Navy
(Financial Management & Comptroller)
Office of Financial Operations

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May 27, 2008

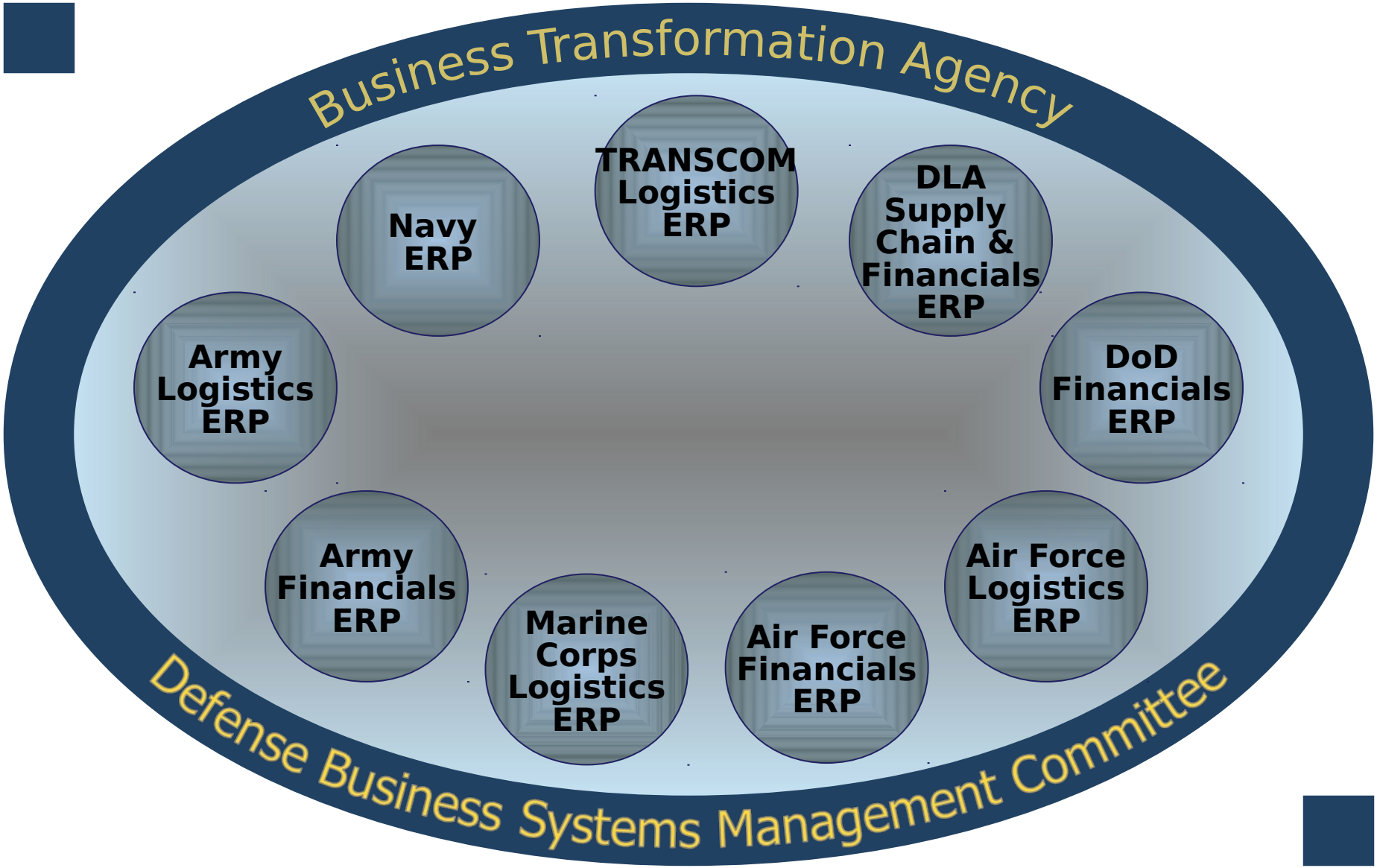
AGENDA

- Navy ERP in the DON and DoD Environment
- Navy ERP Program Update
- Navy ERP 101

Reference Materials

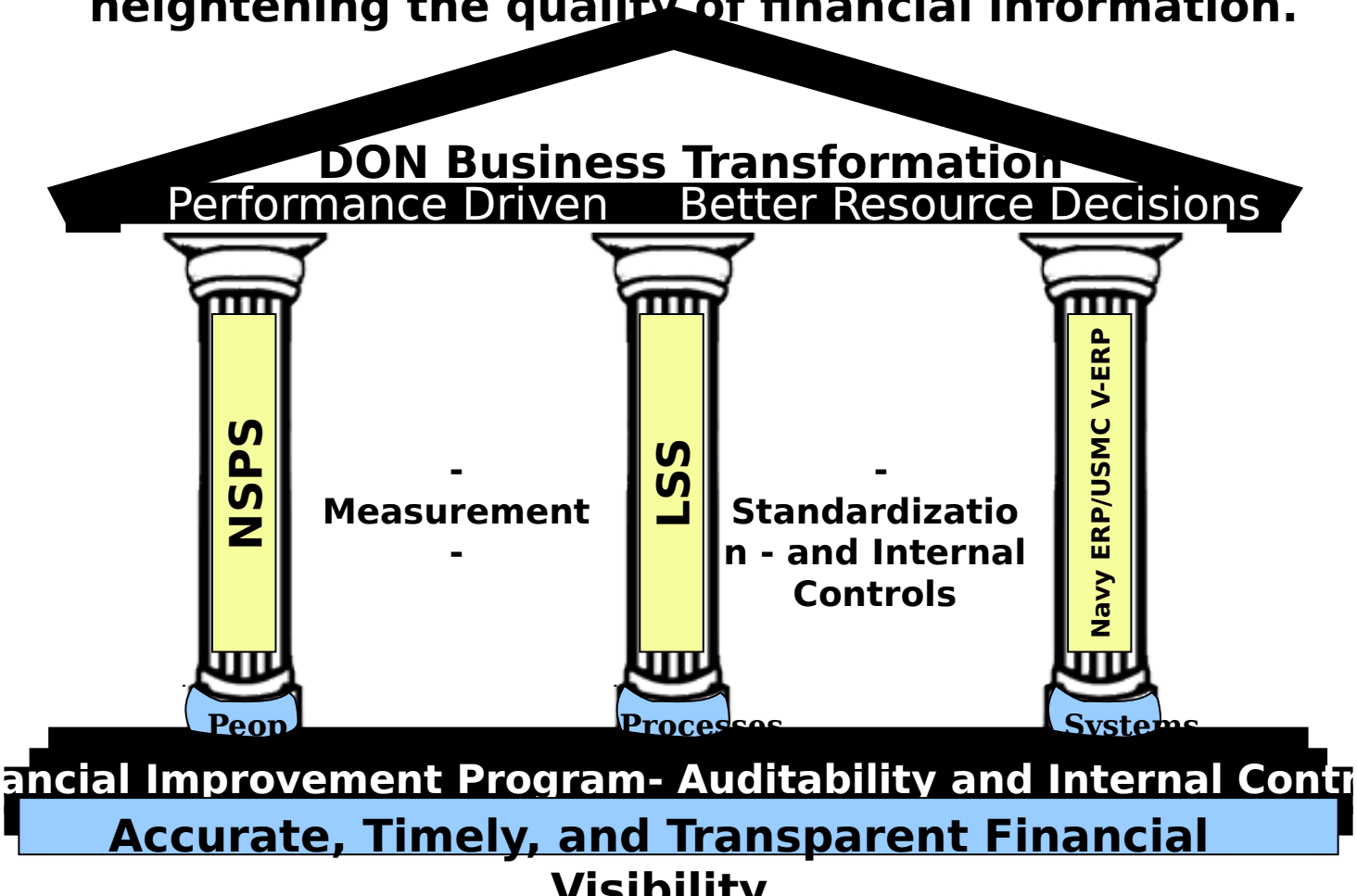
- Navy ERP Terms/Glossary
- DoD/DON Acronym List

DoD ERP Landscape



Pillars of Transformation

The pillars of Business/Financial Transformation are the tools we're employing to get a better return on our investment in people, processes, and systems. The Financial Improvement Program (FIP) focuses on heightening the quality of financial information.



Navy ERP is an integrated business management system that modernizes and standardizes Navy business operations, provides unprecedented management visibility across the enterprise, and increases effectiveness and efficiency.

Modernizes, standardizes business processes

- SAP software establishes best commercial practices
- Common data supports real time information exchange
- Provides platform for the enterprise-wide transformation (Lean/Six Sigma, Activity Based Costing, etc.)

Simplifies operations, enhances visibility into the enterprise

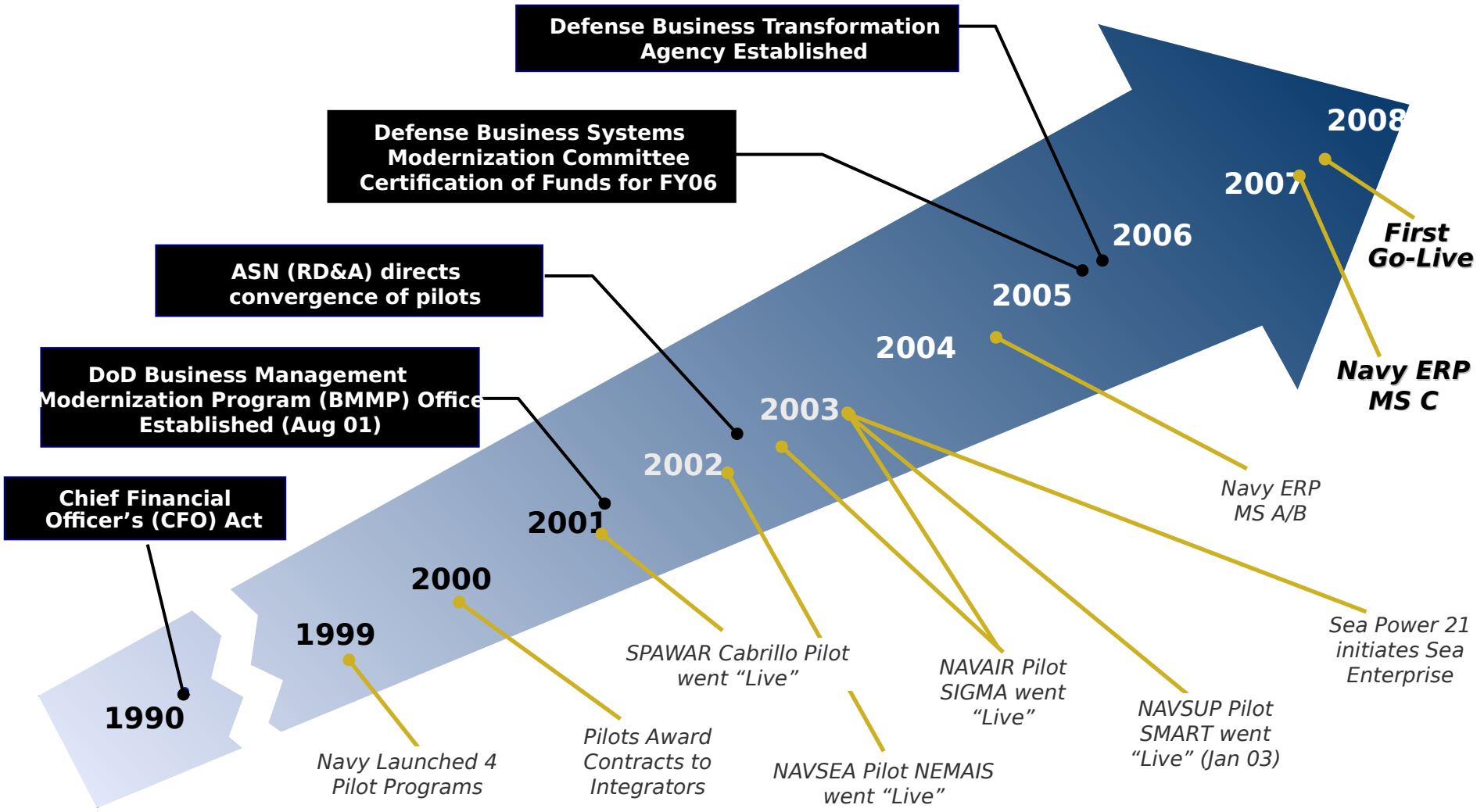
- Single entry, single source data, single view of organizational status
- Asset visibility allows better management of inventories
- End-to-end connectivity, visibility, improves reporting and decision-making capabilities

Increases efficiency, saves money, returns equity for other uses

- Retires legacy systems, reduces number of applications
- Facilitates federal financial, security standards compliance
- Retraining requirements reduced, transportable skills increase flexibility

Navy ERP Program Update

Navy ERP Background



DoD Business Environment Driving Navy to ERP

Current Deployment Schedule

- 1.0 (and the Spiral Releases)
  - NAVSUP HQ, FISC, ICP – October 2008
  - SPAWAR HQ, SSC – October 2009
  - NAVSEA HQ (GF activities) – October 2010
  - NAVSEA WC (NWCF activities) – October 2011

- 1.1
  - NAVSUP – February 2010

Navy ERP - Increment 1.0

- Navy ERP Release 1.0, Financial and Program Management, was deployed on October 1, 2007 to NAVAIR HQ, NAWC-AD, NAWC–WD, and other sites
  - Trained and Deployed to 14,265 users at 9 sites
    - 14 web based courses; 65 instructor lead courses
  - 99.8% Data Load success rate
  - 21,000 Test scripts executed
  - 13 million objects converted in Mock 5 testing (52.7M across all Mocks)
- Completed NAVAIR 1.0 transition on 21 December 2007
- Navy ERP Spiral Release 1.0.1 deployed on April 1, 2008 (includes enhanced functionality e.g., new reports)
- System Sustainment in progress

Navy ERP - Spiral 1.0.1

- Spiral 1.0.1 was grouped into separate releases based upon:
  - Customer priority
  - Resource Availability
  - Logical / Technical dependencies

- The first group, Release 1.0.1.1, included:
  - Open Obligation Report
  - Encumbrance Report
  - IF4/5/5a Budget Exhibits Report
  - These reports were made available to the end users March 2008

- Release 1.0.1.2 included:
  - BW Reports: Seller Elimination, A/R Aging, Purchasing, Inventory, Reimbursable Order/Billing
  - Relationship Query Report (Asset Management)
  - These reports were made available to the end users March 2008

- Release 1.0.1.3 and 1.0.1.4 included:
  - Common Cost Management Framework (CCMF)
  - WARS extracts (exact objects in process of being identified)
  - These functionalities were made available to the end users April 2008

- Release 1.0.1.5 was put into production April 2008, and included the remaining Spiral 1.0.1 functionalities, such as ATR, Civilian Training Interface, PR enhancement, and NSPS.

NAVAIR Sustainment

- NAVAIR's "Black out period" was from Oct 1– Mid Dec 2007. During the "black out" period NAVAIR:
  - Performed only mission critical functions
  - Had limited access to systems. Vast majority of mission critical business transactions were manually performed
- NAVAIR entered Sustainment period in January 2008. Working within Navy ERP to perform all required tasks – however, they were initially unable to fully use Navy ERP to accomplish key aspects of their 5 key business processes. The five key business processes are:

  - Contract/Vendor Pay
  - Employee Pay
  - Employee Travel
  - Program Billing
  - Financial Reporting
- Navy ERP, NAVAIR, OASN(FM&C) and DFAS are working together to discuss and correct systemic defects when required, re-train NAVAIR staff, work with interface partners to ensure interfacing systems are working as required.
- (OASN)FM&C, RDA, Navy ERP and NAVAIR are working to "SWARM" the issues and define what actions will indicate NAVAIR has reached sustainment and Navy ERP is ready to be deployed to other commands.

Navy ERP Update – NAVSUP 1.0

- Scheduled deployment **October 2008.**

Conversion Strategy

- Limited financial data conversion to Navy ERP from legacy financial systems
  - *STARS-HCM – NAVSUP HQ*
  - *STARS-FL – NAVICP, COMNEXCOM, NOLSC*
  - *DBMS – NAVSUP HQ, NAVICP, COMFISC*
- Complete open documents in legacy until retirement of system
- At time of deployment NAVSUP will only process new business in Navy ERP

** Release 1.0 to NAVSUP does not include the Supply Management Functions. NAVSUP will get that functionality with Release 1.1.

Navy ERP Update – NAVSUP 1.0
Why NAVSUP is different

NAVSUP

- Preponderance of funding 1 year for obligation
- Majority of funding executed to run organization (labor & transportation)
- 94.9% of funds expended in first 18 months
- Legacy systems will be active 12 months after go live to support other commands

Other SYSCOM's

- Preponderance of funding 3+ years for obligation
- Majority of funding executed for development of weapon systems
- Funding expended over entire 5+ years allowed period

Navy ERP Update - SPAWAR

- Scheduled deployment **October 2009.**
- Navy ERP, SPAWAR, DFAS, OASN(FM&C), and NAVSISA are working on data conversion throughout the SPAWAR enterprise.

STARS- FL - SPAWAR Norfolk & New Orleans

STARS-HCM - SPAWAR HQ

DIFMS - SPAWAR Charleston

CABRILLO - SPAWAR SSC-SD

- Delay of implementation date will minimize potential impacts on other high priority initiatives such as enabling the opportunity for SPAWAR to complete work associated with the Base Realignment and Closure and the creation of a Competency Aligned Organization.
- FMO is building G/L validation tool that will be used at SPAWAR and future command implementations of Navy ERP.

Navy ERP Update - NAVSEA

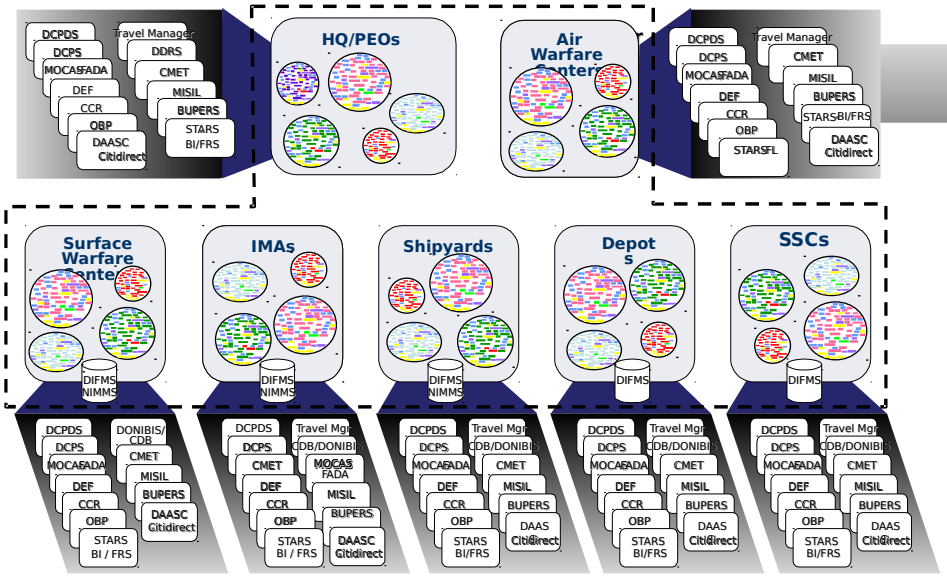
- Scheduled deployment **October 2010** (General Fund, STARS-FL & HCM),
  October 2011 (Working Capital Fund, DIFMS)**.**
- NAVSEA has met with NAVAIR POCs to gain insight and understanding of
  data conversion tripwires.
- NAVSEA is working with SPS POC to identify problematic contracts
  (shipbuilding contracts).

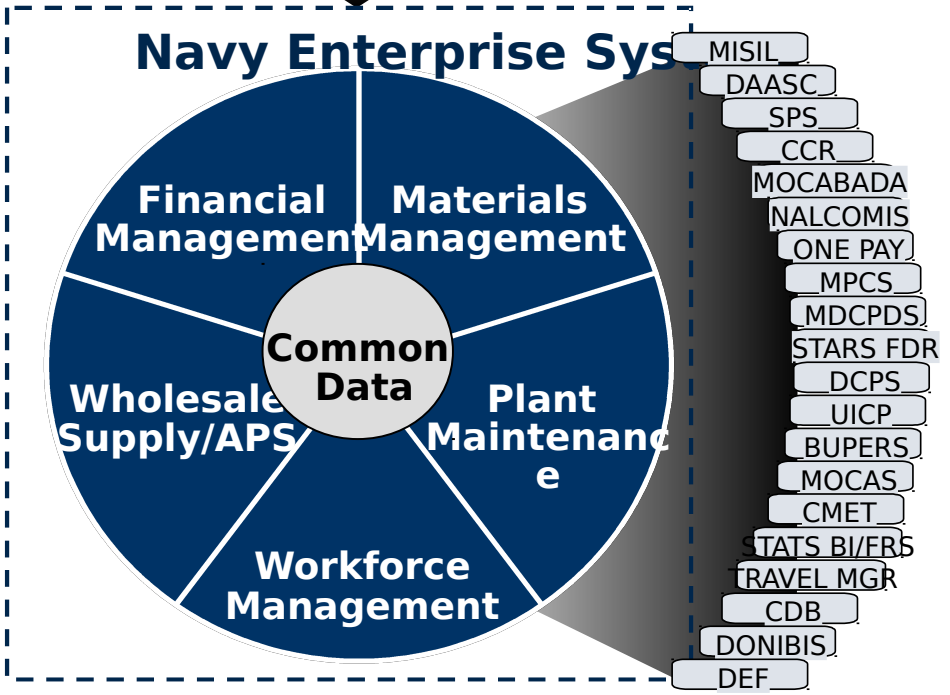
Navy ERP Update – NAVSUP Release 1.1

- Scheduled deployment **February 2010.**
- Release 1.1 is Navy ERP's Supply Solution:
  - Release 1.1 functionality will include Environment Health & Safety, Inventory Management/Procurement, and Order Fulfillment from many systems to include ITEMP, UICP, RRAM, and HMIRS.
- There are approximately 60 systems/applications that will be retired/replaced by Navy ERP Release 1.1 functionality.
- NAVSUP Release 1.1 Integrated Systems Testing (IST) is tentatively scheduled to begin February 2009 with an expected length of 7 months.

Navy ERP 101

Integrating Navy's Many Functions





ERP provides:

- Standardized business processes running on an integrated application
- A single database with shared common data, not just interoperable but integrated

Goal: Minimize Interfaces and Enhancements

Navy Enterprise Resource Planning

Integrating successes of four pilot ERP efforts to reinvent and standardize business processes across the enterprise.

Financial Management (Cabrillo)

-50% reduction in annual cost of Business Systems support
-Cut simplified acquisition requisition-to-order process time from 44 days to 44 minutes for e-Catalog procurement
- Retired 59 0f 72 legacy systems

Aviation Supply (SMART)

-1M+ inventory transactions with less than 0.5% error rate
-Reduced warehouse refusal rate from 3.5% to 0.5%
- Over $1.4M saved in replenishment cost for the ICP in 1st Qtr FY04

Program Management (Sigma)

-66% improvement in financial statement processing time
-Engineering Change Proposal (ECP) approval time decreased from 87-25 days
- Retired 59 0f 72 legacy systems

Regional Maintenance (NEMAIS)

-Elimination of job rejection notification delay from 20 days to immediate
-Reduced total repair time by 16% -- from 96 to 81 days
- Material inventory provided a one time saving of $2.4M

-Reliable and timely financial and management information
-End-to-end product management and improved interoperability

Business Process Transformation

- Organization Breakdown Structures
- Cost Centers
- Job order numbers
- Rates/Activity types
- Cost Elements (ABC and secondary elements)
- Budget Exhibits
- Work Breakdown Structures
- Chart of Accounts (GL)
- Funding Document Process
- Material Master
- Vendor Master
- Common Reporting –Business Warehouse
- Standard Large Contracts Process
- Standard MILSTRIP process
- Standard Purchase Card process
- Earned Value Management (EVM)
- Standard Local Training process
- Standard Travel process through DTS
- Standard Award Initiation and Interface
- Standard Qualifications
- Standard non-NSPS Performance Appraisals
- Training Catalog
- Employee Self Service
- Manager's Self Service
- Centralized Help Desk

As a result of ERP and business transformation ….The Navy will have standardized processes across the enterprise…

Master Scenario Descriptions

- **Budget to Authorize** (Financial) – Used by Echelon I commands distributing funds to Echelon II commands, this process includes transactions for cost planning, and the creation of project structures, funds allocation and control, and derivation of budgetary ledger accounts.
- **Plan to Perform** (Project Scheduling) – Plan to Perform involves all aspects of Navy project management from initiation, planning, and execution to project closing.
- **Personnel Check-In to Check-Out** (Personnel) – Personnel Check-In to Check-Out provides a cross-functional view of Workforce Management functions with SAP to support acquisition, logistics and supply., Military, and Contractor/Foreign National/Intern.
- **Plan to Pay** (Supply) – This scenario includes the standard SAP scenarios of Supply Chain Management (Plan to Delivery and Procure to Pay) and Order Fulfillment (Order to Cash).
- **Acquire to Dispose** (Asset Management) – This scenario describes the transactions that take place during the life cycle of an asset.
- **Post to Report** (Financial Posting and Closing) – Post to Report involves several logistics transactions that will be completed to provide a representative sample of budgetary and proprietary postings.

RICE

- Reports – Outputs from the Navy ERP system
- Interface – A shared boundary across which information is passed. For Navy ERP, these interfaces include a connection with a legacy or DoN or a DoD system of record. Navy ERP is a system of systems within the DoN / DoD. Data could be coming into Navy ERP (inbound) or going out from Navy ERP (outbound) or both (bi-directional).
- Conversion of Data
- Enhancements – Changes to the functionality of an information system. In an information technology product, an enhancement is a noteworthy improvement to the product as part of a new version of it. This term is also sometimes used to distinguish an improvement (enhancement) of some existing product capability from a totally new capability.

Roles

- SAP is designed as a role based application providing the ability to customize the authorization concept.
  - A user role is a grouping of transactions, reports, bolt-on applications and associated authorizations that establish the scope and level of access to specific SAP functionality. – Transactions determine to what objects you have access
  - Authorizations determine what level of access you have to the objects

Role

- **Security**
  - What do I have access to do and see?
- **Training**
  - What courses do I need to attend?

Finance Functionality

- General ledger posting / analysis / reporting
- Accounts receivable / accounts payable
- Cash management/Billing
- Management of posting periods and year end closing
- Processing transactions associated with budget entry, supplemental, transfers, returns, funds reservations, funds commitments, budgetary/proprietary ledger, budget version planning
- Automatic funds availability control / checking
- Assignment and management of cost and activity planning functions
- Assignment and management of overhead allocation functions
- Viewing actual costs by cost object (cost center, internal order, WBS, etc.)
- Viewing and managing variances between planned cost and actual cost
- Asset Management plant, property, and equipment records maintenance in support of property accounting and accountability requirements

Navy ERP will be the financial system of record!

Navy ERP Redesigned Processes

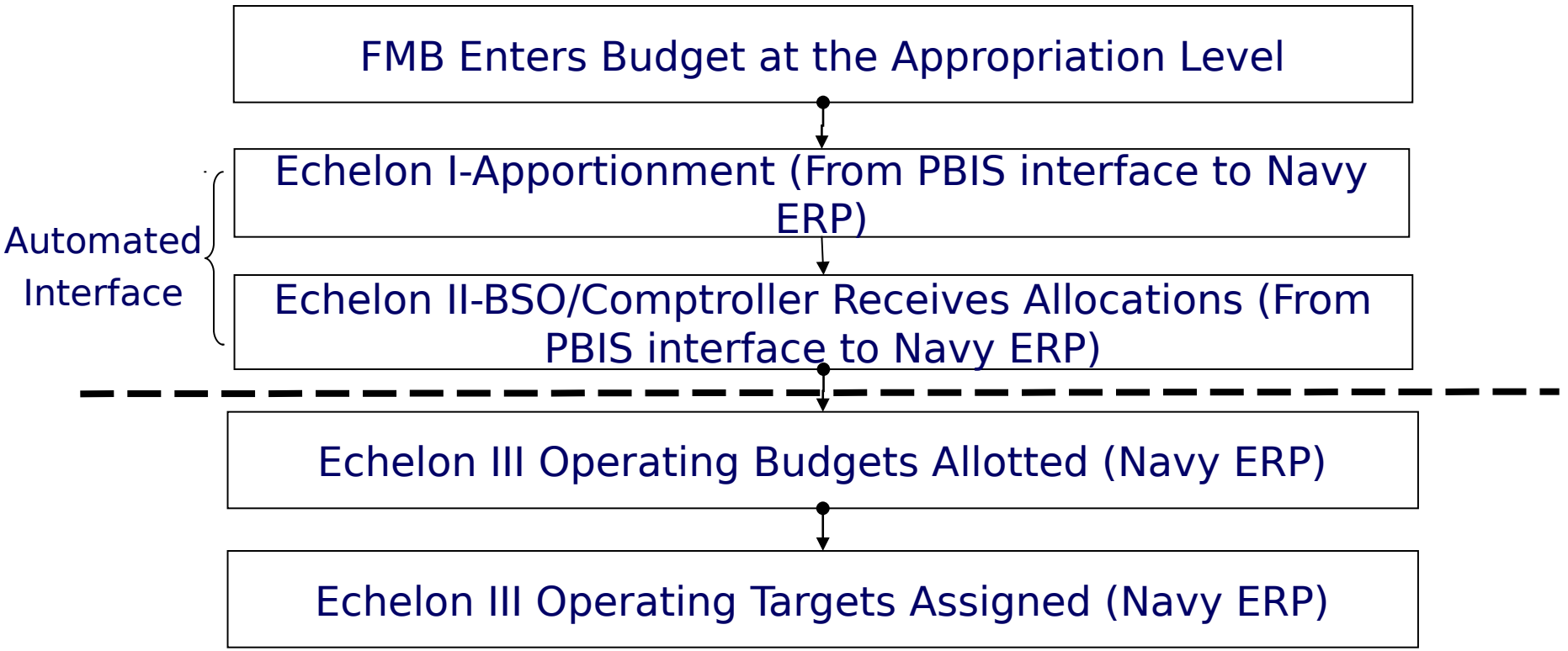
- **Navy ERP is not just a replacement of the pilots – significant Reengineering Activities have occurred.**
- Establishment of Enterprise-wide business processes leads to increased efficiency and auditability and improved quality of information to support decision making.

Redesigned Process	Reason for Change	Impact
Labor Certification	• Comply with GAO and Financial Management regulations • Reduce the time spent reconciling labor • Near real time cost accounting and revenue recognition	• All labor will need to be certified on a regular basis prior to being sent to DCPS
Elimination of WIP	• Comply with DoD FMR • To have better control over cost overruns	• Billing will be almost real time, however, there will still be some unbilled amounts at month end which will be debited to unbilled AR and credited to Revenue
Accounts Payable Process (formerly handled as Accruals)	• To comply with DoD FMR • Reduce the value of unreconciled accruals	• Requires manual intervention by COTR on monthly basis to validate and adjust actuals based on receiving reports or

Navy ERP Redesigned Processes

Redesigned Process	Reason for Change	Impact
Purchase Card Process	• Alignment with DoN P-Card Program Policy • Improve reconciliation efficiency	• Integrated closed-loop solution using DFAS and Navy ERP • Reconciliation completed electronically within Navy ERP (vice via hard copies)
Posting Logic	• All DoN Commands must record and report financial transactions according to Treasury guidance	• Navy ERP will be in compliance with Treasury
SFIS	• Comply with Business Enterprise Architecture (BEA) requirement for standard line of accounting data to feed DoD consolidated financial	• Navy ERP will report financial data as required by BEA
Internal Entitlement (Vendor Pay)	• Leveraging functionality inherent in system • Reduce the number of unmatched disbursement within Navy ERP	• No longer using STARS-One Bill Pay • Navy ERP will be compliant with Prompt Pay Act

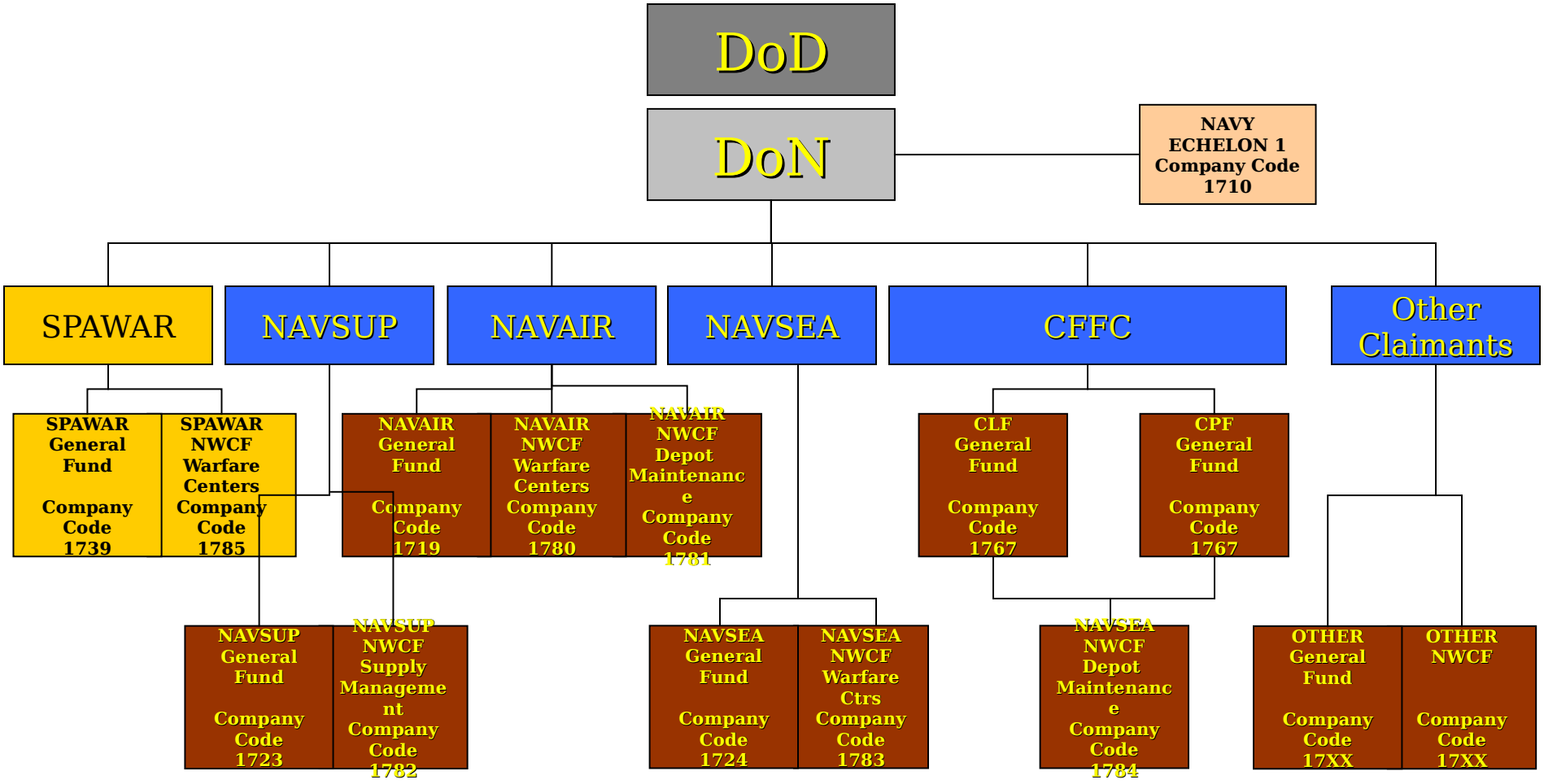
Budget To Authorize
Funds Allocation - Budget Flow


FMB Enters Budget at the Appropriation Level
Echelon I-Apportionment (From PBIS interface to Navy ERP)
Automated Interface
Echelon II-BSO/Comptroller Receives Allocations (From PBIS interface to Navy ERP)
Echelon III Operating Budgets Allotted (Navy ERP)
Echelon III Operating Targets Assigned (Navy ERP)

Funds Allocation Terminology

- **Company Code** — a 4-digit code representing an Organizational Structure within Navy ERP closely aligned with the Navy's Budget Submitting Office (formerly "major claimants") structure. The company code naming convention consists of the agency code for Navy "17" and the code for the budget submitting office, such as "19" for NAVAIR or "39" for SPAWAR.

Company Code Structure


DoD
DoN
NAVY ECHELON 1 Company Code 1710
SPAWAR
NAVSUP
NAVAIR
NAVSEA
CFFC
Other Claimants
SPAWAR General Fund Company Code 1739
SPAWAR NWCF Warfare Centers Company Code 1785
NAVAIR General Fund Company Code 1719
NAVAIR NWCF Warfare Centers Company Code 1780
NAVAIR NWCF Depot Maintenance Company Code 1781
CLF General Fund Company Code 1767
CPF General Fund Company Code 1767
NAVSUP General Fund Company Code 1723
NAVSUP NWCF Supply Management Company Code 1782
NAVSEA General Fund Company Code 1724
NAVSEA NWCF Warfare Ctrs Company Code 1783
NAVSEA NWCF Depot Maintenance Company Code 1784
OTHER General Fund Company Code 17XX
OTHER NWCF Company Code 17XX

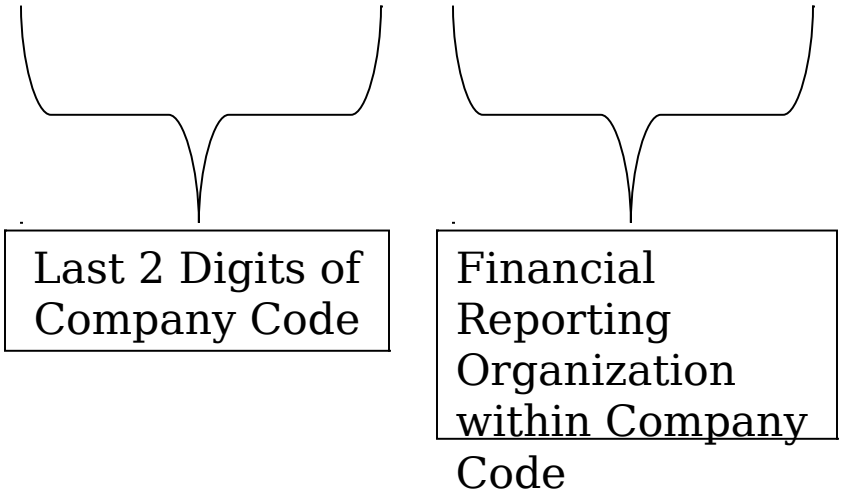
Company Code Structure

1711	Drtr Field Spprt Activity	1752	CDR, Naval Installations
1712	UNSECNAV	1761	US Naval Forces Europe
1714	Chief of Naval Research	1762	Navy Edu & Training
1715	Dir, Offc of Naval Intel	1767	Commander, U.S. Fleet
1717	CNO Fiscal Management	1768	CNO (N823)
1718	Chf Bureau of Med & Surg	1769	Naval Security Group
1719	NAVAIR	1772	Naval Reserves
1722	Chief Naval Personnel	1780	NAWC (WD & AD)
1723	NAVSUP	1781	NADEPs
1724	NAVSEA	1782	NAVSUP WCF
1725	Nav Fac Engineering	1783	NAVSEA Warfare Centers
1727	Commander Marines	1784	Depots (Shipyards)

Funds Allocation Terminology

- **Business Area** — a 4-digit code representing a business unit or division for which an internal balance sheet and profit and loss statement can be prepared. The balance sheet and profit and loss statement do not need to comply with all the legal requirements for external financial statements.

X X Y Y



- **HQ –** 19HQ, **NAMRA –** 19NM, **NAPRA –** 19NP, **NAWCAD –** 80AD, **NAWCWD –** 80WD

Funds Allocation Terminology

Budget Object — funding is attached to 5 pieces of master data:

- **Fund** — a separate and distinct fiscal/accounting object used to segregate cash and other financial resources. The first two characters of the fund will identify the appropriation (except for Direct Cite, Allotments received, and FMS Admin). The third and fourth characters will identify the beginning year of the appropriation. The fifth character will identify the length of the appropriation. The last five characters will further define each appropriation.
- **Fund Center** — Fund centers are clearly defined areas of responsibility. The first three characters of the fund center will identify the major command, PEO, Fleet, organization, etc. The next seven characters identify departments, division, branches, and/or shops, depending on organization.
- **Functional Area** — a classification of financial information which includes RDT&E project unit, line item, SIC, OMN project unit, WCF cost categories for DONIBIS
- **Commitment Items** — represent the functional grouping of expenditures and revenues within a financial management area.
- **Funded Program** — the lowest subdivision of funding, lower level breakdown of the budget. The funded program controls the budget and execution at the project level vice the fund level.

Navy ERP 5-Part Budget Objects

Fund 210511B4B	Conveys appropriation, year and line item data
Fund Center 19A or 19A00	Conveys the organization holding the allocation or the allotment of funds
Commitment Item Expenditures	Conveys the purpose such as labor or non-labor (also shows OMB Object Class Codes) in Execution
Functional Area 00000-XY-LOCAL00	Special interest codes / project / unit / line item data / local use
Funded Program Navy	Work breakdown structure element or network activity

New—16 Characters Long vs. 4

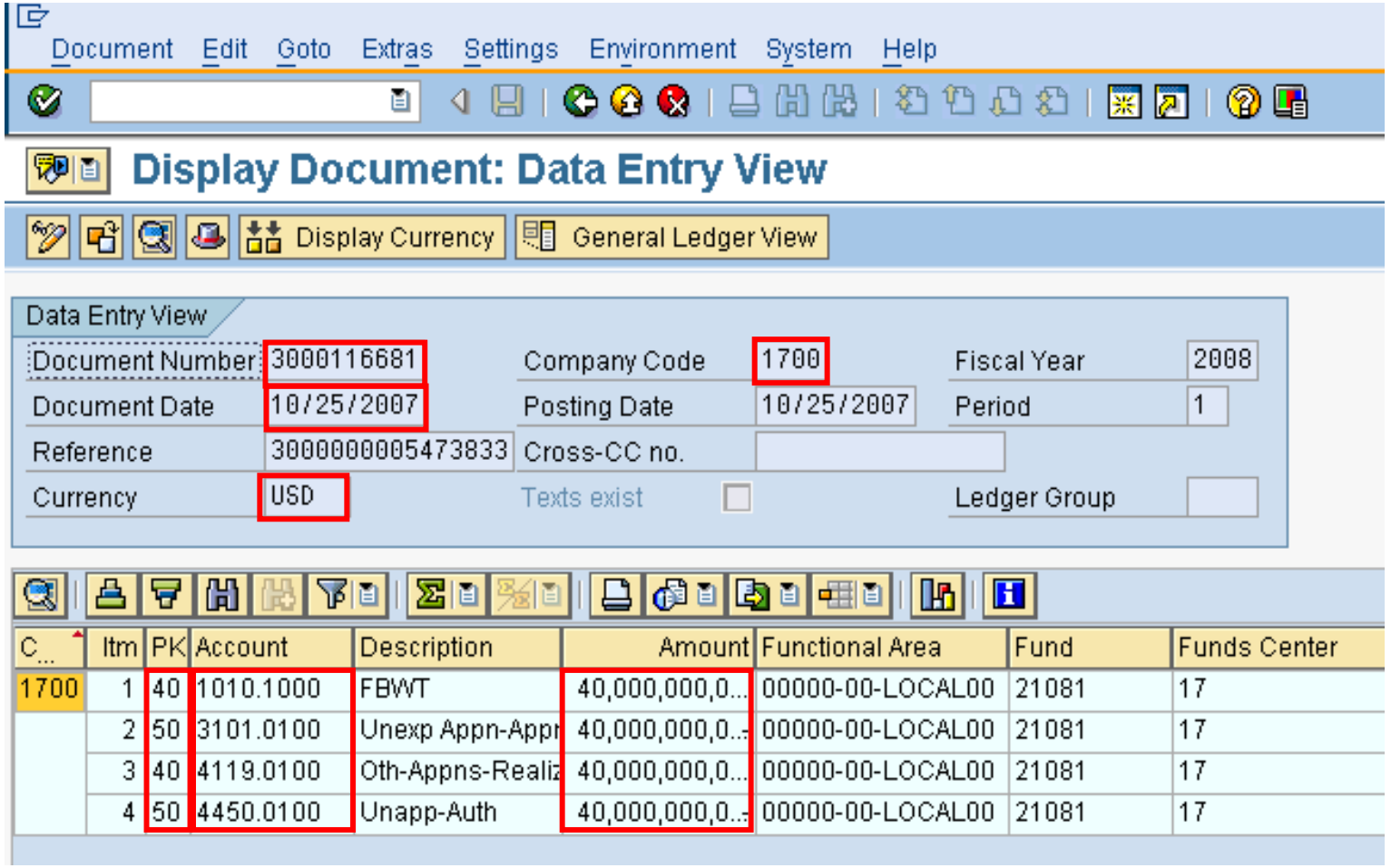
New—5th dimension to the Budget Object

Funds Management - Terminology

- **FM Area** — the highest level in the FM organizational hierarchy. FM area is always 1000 for Navy.
- **Document** — Record of a business event that has occurred and has processed in Navy ERP. A document is the link between the business transaction and the posting in accounting. A document consists of:
  - **A document header:** The part of a document that contains information valid for the entire document. Required data includes:
    - Document date
    - Document type
    - Company code
    - Currency/Rate (USD)
  - **Line items:** The part of a document that contains information about an item. Required data includes:
    - Posting key
    - GL account number
    - Amount
    - Debit or credit assignment

Funds Management - Terminology

Example of Navy ERP Document: Enactment of an Appropriation



C...	Itm	PK	Account	Description	Amount	Functional Area	Fund	Funds Center
1700	1	40	1010.1000	FBWT	40,000,000,0...	00000-00-LOCAL00	21081	17
	2	50	3101.0100	Unexp Appn-Appr	40,000,000,0...	00000-00-LOCAL00	21081	17
	3	40	4119.0100	Oth-Appns-Realiz	40,000,000,0...	00000-00-LOCAL00	21081	17
	4	50	4450.0100	Unapp-Auth	40,000,000,0...	00000-00-LOCAL00	21081	17

Posting Key – (40 = Debit, 50 = Credit)

Funds Execution - Terminology

- **General Ledger** — Account master records required to support financial management reporting.
- **Posting** — The activity of making entries in a general ledger. In general accounting posting are automatically triggered as documents are created/changed within Navy ERP, as well as by incoming interface transactions. G/L postings are transparent to the end user. In SAP both budgetary and proprietary G/L accounts posted against in transactions when appropriate.
- **Budgetary Ledger** — a set of accounts that reflects budget consumption due to the creation and posting of documents, for example as commitments, obligations, unpaid/received, and paid.
- Each financial transaction must contain: a full budget object (fund, fund center, functional area, commitment item, and funded program).

Budget to Authorize Benefits

- Common Budget Structure and organization structure across entire Navy
- Budget Exhibit preparation available to all Organizations
- PBIS will interface directly with Navy ERP simplifying the fund allocation process. There will no longer be a need to manually enter direct and reimbursable fund allocations into separate systems and eliminating the need to reconcile between STARS and PBIS
- The ability to place hard controls (control totals) and send warnings to ensure end users do not exceed budget authority. This allows the command to be informed and aware of funding concerns and the end-user over spending their allocated budget amount
- Transaction Register Reports are now hot-linked to every logistics and financial transactions that creates a general ledger postings– Trial balance reviews, triannual reviews and general auditing will be greatly simplified reducing unmatched disbursements in a more timely fashion
- Earmarked funding transactions used for “withholds”, “blockings” and other “non-logistics” based control/use of funds
- Funding is attached to the “Budget Object” which now has 5 dimensions instead of 4. The addition of “Funded Program” allows more information to be conveyed and provides a direct link between the budget and the applicable Work Breakdown Structure or Activity

Plan to Perform

- Where cost schedule and performance are maintained in the system
- Where budgeting is performed
- Where execution is performed
- Replaces the similar functionality to WPS (Workload Planning System) and FIMIS 2000
- Provides the foundation for the POM submission and budget exhibits
- Supports the A-11 process
- Supports the transfer of funds from one command to another
- Supports both General Fund, Foreign Military Sales (FMS), and Working Capital Fund (WCF) billing for both Navy and non-Navy customers

Project Management - Terminology

- **Program—** is the highest level of the reporting structure in the Investment Management (IM) module. It is a prerequisite for the creation of the reporting structure hierarchy. The Navy will use Investment Programs to support Program Management functions.
- **Project—** a business undertaking involving a predetermined goal to achieve with prescribed funds and operating resources, to an agreed level of quality, and by a particular date.
- **Work Breakdown Structures (WBS)—** a hierarchical outline of an undertaking described in the project definition. The work breakdown structure (WBS) is the basis for the organization and coordination of a project. A WBS consists of WBS elements. The WBS elements describe tasks or subtasks in the project to perform within a defined time period.
- **Network Activity—** A task in a work package, or network, that is planned for and executed. Each activity has a unique network activity number. Activities are classified as internal, external, or general cost.
- **Work Center—** comprised of a group of people (or a single person) that performs the actual maintenance work. Assigned to work orders to accomplish the work in the scheduling process.

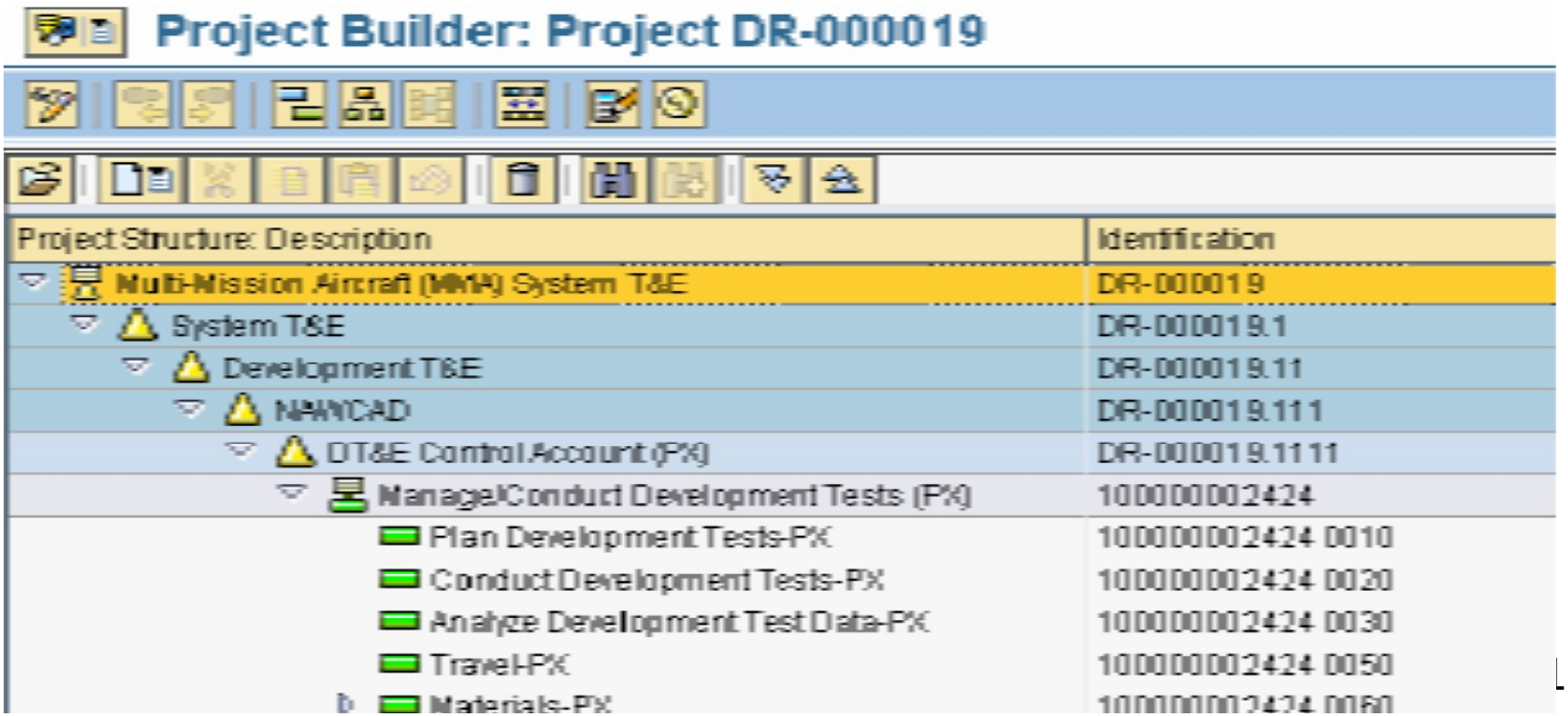
Project Structure/Management Functionality

- Program / project status controls
  - Limits actions which can be performed
    - Open or release project for charging
    - Logistical close of projects
    - Temporarily lock a project from charging
    - Financial close of projects
- Project simulation capability
  - Perform scheduled “what-if” analysis
- Scheduling activities and events
  - Detailed project scheduling
  - Project milestone scheduling
  - Integrated program scheduling
- Earned Value Management (EVM)

Plan to Perform

WBS Element:

- A deliverable-oriented project element that organizes and defines the scope of the project
- WBS Elements exist in a hierarchy with each descending level representing an increasingly detailed definition of a project component (project components may be products or services)



Budget/Project Structure Examples

Budget Structure:– PMA265 – F/A-18 Program Office

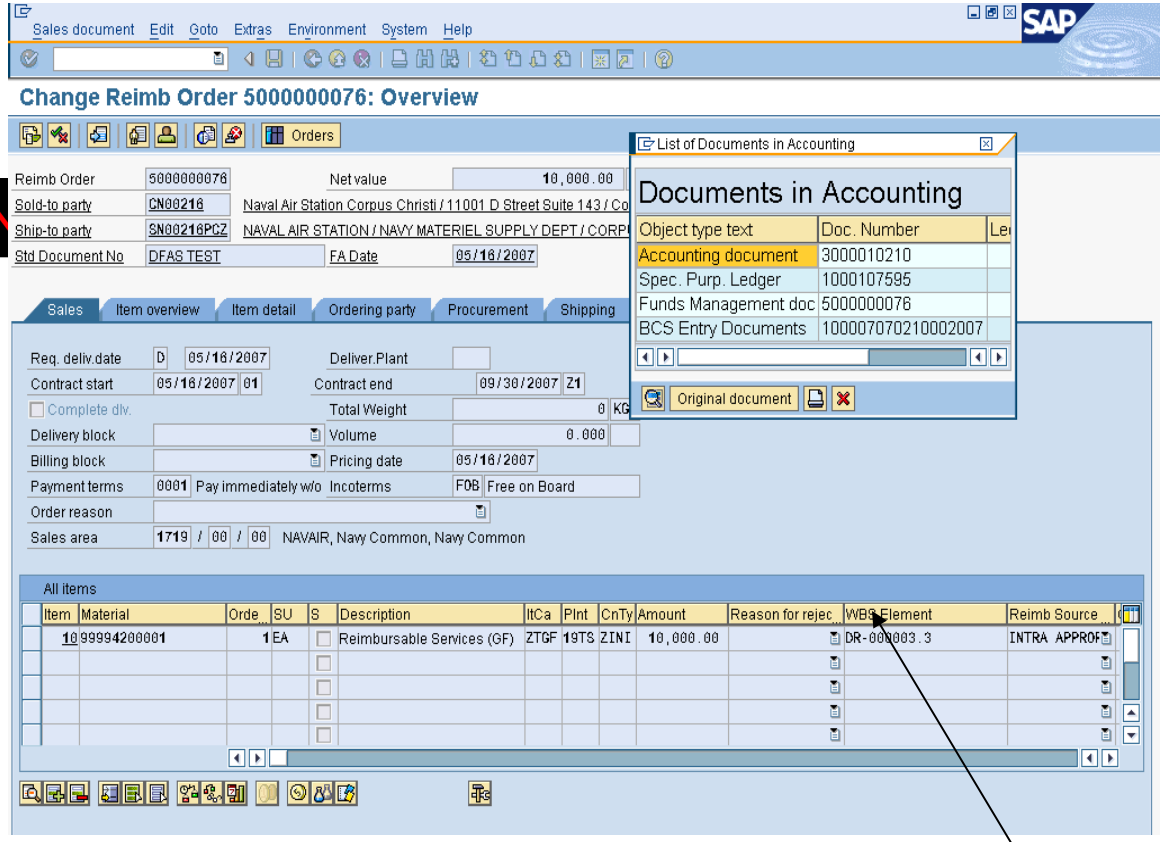
- Appropriations: APN1, APN5, RDT&E, OM&N

Project Structures (Examples):– AN/APG-79 Airborne Radar System

- Advanced Targeting Forward Looking Infrared (ATFLIR)
- Block Upgrades
- Advanced Crew Station
- Mission Planning System
- Digital Wingtip
- Electronic Warfare
- Signal Data Computer Replacement (SDCR)
- Automated Maintenance Environment (AME)
- Joint Helmet Mounted Cueing System
- ARC-210

Reimbursable Agreements

- Funds Control activated at
  - Fund
  - Fund Center
  - Functional Area
  - Funded Program
- Fund availability check performed at the funded program level
- Funded Program represents sales order line item
- Cannot post Commitments, Obligations, Expenditures, Cost Allocations or Disbursements when funding exceeded at Funded Program Level
- If funding is not available transactions will be rejected. Reimbursable agreement must be modified to add additional funding, then transaction can be re-processed.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SAP
Change Reimb Order 5000000076: Overview
Orders
Reimb Order 5000000076
Net value 10,000.00
Sold-to party CN00216 Naval Air Station Corpus Christi / 11001 D Street Suite 143 / Co
Ship-to party SN00216PCZ NAVAL AIR STATION / NAVY MATERIEL SUPPLY DEPT / CORP
Std Document No DFAS TEST FA Date 05/16/2007
Sales
Item overview
Item detail
Ordering party
Procurement
Shipping
Req. deliv.date D 05/16/2007
Deliver.Plant
Contract start 05/16/2007 01
Contract end 09/30/2007 Z1
Complete dlv.
Total Weight 0 KG
Delivery block
Volume 0.000
Billing block
Pricing date 05/16/2007
Payment terms 0001 Pay immediately w/o
Incoterms FOB Free on Board
Order reason
Sales area 1719 / 00 / 00 NAVAIR, Navy Common, Navy Common
All items
Item Material Orde... SU S Description ItCa Plnt CnTy Amount Reason for rejec... WBS Element Reimb Source
10 99994200001 1 EA Reimbursable Services (GF) ZTGF 19TS ZINI 10,000.00 DR-000003.3 INTRA APPROF
List of Documents in Accounting
Documents in Accounting
Object type text Doc. Number
Accounting document 3000010210
Spec. Purp. Ledger 1000107595
Funds Management doc 5000000076
BCS Entry Documents 100007070210002007
Original document

WBS Element represents the funded program

WCF – CPP Projects

- **Funds Control** activated at
  - Fund
  - Fund Center
  - Functional Area
  - Funded Program

- **Funded Program** represents CPP Project / WBS Elements / Network Activity
- Cannot post Commitments, Obligations, Expenditures, Cost Allocations or Disbursements when funding exceeded at Funded Program Level
- If funding is not available transactions will be rejected. CPP Project must be modified to add additional funding, then transaction can be re-processed.

Plan to Perform Benefits

- Budget and Execution in the same system
- Improved planning visibility across commands
- Earned Value Management (EVM) enhanced capability - Earned Value Composite (EVC) will be deployed April 2008
- All projects will be hard controlled within the assigned funded program
- Simplified project structures - Ability to multiple fund WBS billing elements
  - Eliminate need to replicate structures based on incoming funding
- Direct Projects will no longer require a separate WBS billing element for each sales order line item
  - Multiple sales orders can be assigned to a single WBS element
- Enhanced BFM functionality to allow funds movement/alignment at the project = comptroller-like functionality for BFMs
- Projects linked to investment program structures to provide program management views

Plan to Perform Benefits

- Ability to perform cost/schedule planning for prime and support contractors within projects via “planning” networks Ability to establish an Integrated Master Schedule (IMS)
- Enhanced validations to help prevent user errors
- Assignment of resources, by name if desired, to activities during planning
- Project stock – planning, execution, and management of materials within projects
- Final bill process for reimbursable sales orders
- Funding transfers between commands will occur via MIPR or SF2276A
- Ability to capture ALL project costs (including G&A and surcharges) prior to billing
- Ability to automatically generate purchase requisitions from within project

Plan to Pay

Purchase Requests (PR)/Purchase Orders (PO)

- Automatically posts commitments (PR) and obligations (PO)
- Workflow used to process and approve documents
- Approval of Purchase Requisition (PR) results in creation of the asset master record for tracking purposes automatically via a nightly batch run (Create Asset Master Record program)
- PR approval triggers automatic creation of the Purchase Order (PO)
- Approved transactions released to interfaces (SPS, MILSTRIP)
- Project stock and limited Manufacturing Resource Planning (MRP)
- Goods Receipt - Allows the user to record purchased property items delivered.
  - When goods are delivered, they are entered into Navy ERP as a Goods Receipt.
  - The Goods Receipt will charge either a cost center or a project based on the PO
  - Upon Goods Receipt, value is posted to the asset automatically via a nightly batch run (Post Asset Value program)

Plan to Pay

Purchase-Card

- P-Card buys and approval
- EDI links to Citibank
- Automated Reconciliation assistance (Paperless reconciliation)
- Improved Internal Controls (separation of duties)
- Goal: Decreased cycle time for PCard Invoice certifications

Plan to Pay

Material Master

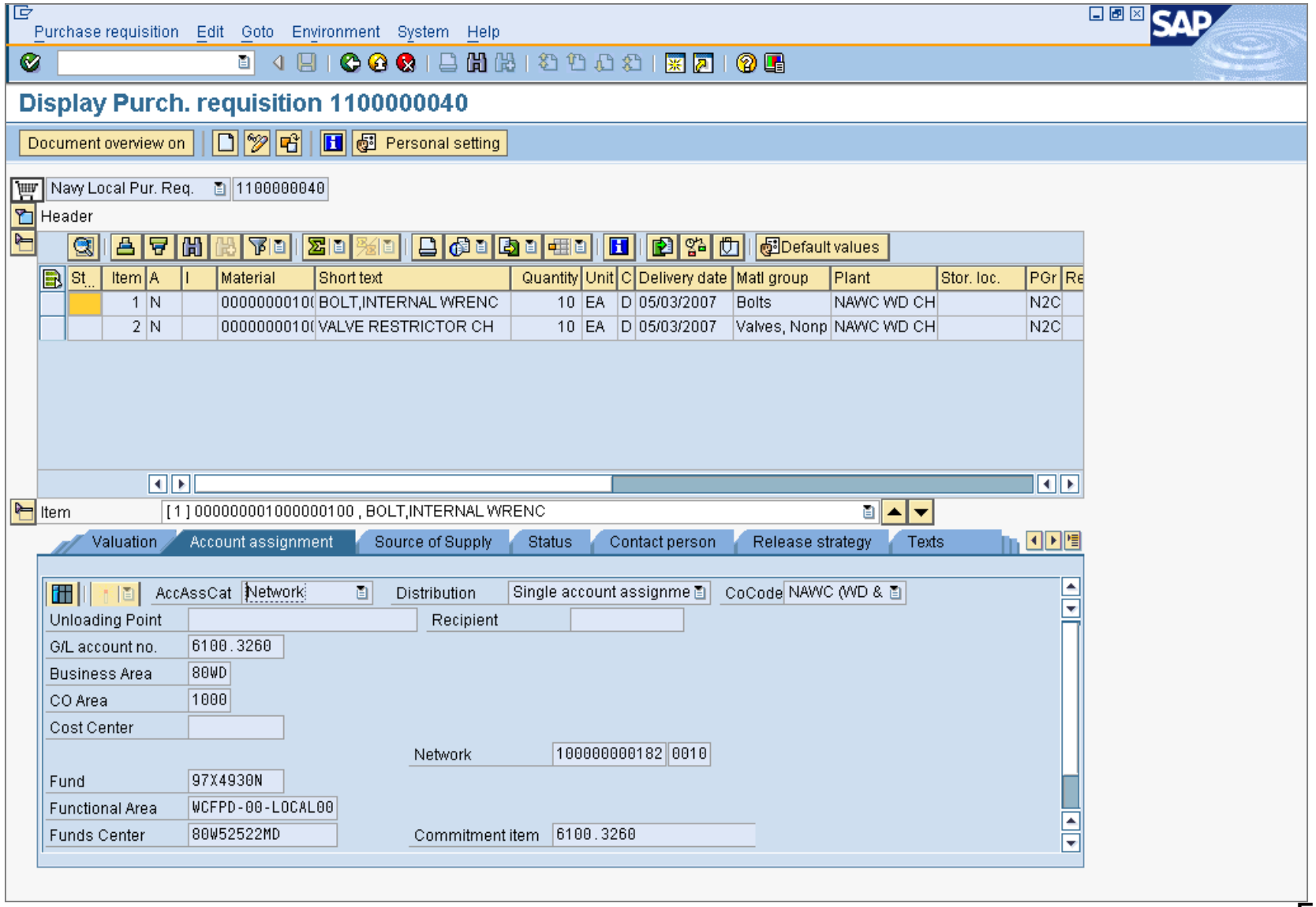
- The material master contains descriptions and information on all the materials that a company procures or produces, stores, and sells. It is the company's central source for retrieving material- specific data. This information is stored in individual master records for each material. Each Plant has its own material master records.
- The material master is used by all components in Navy ERP Logistics.

Vendor Master

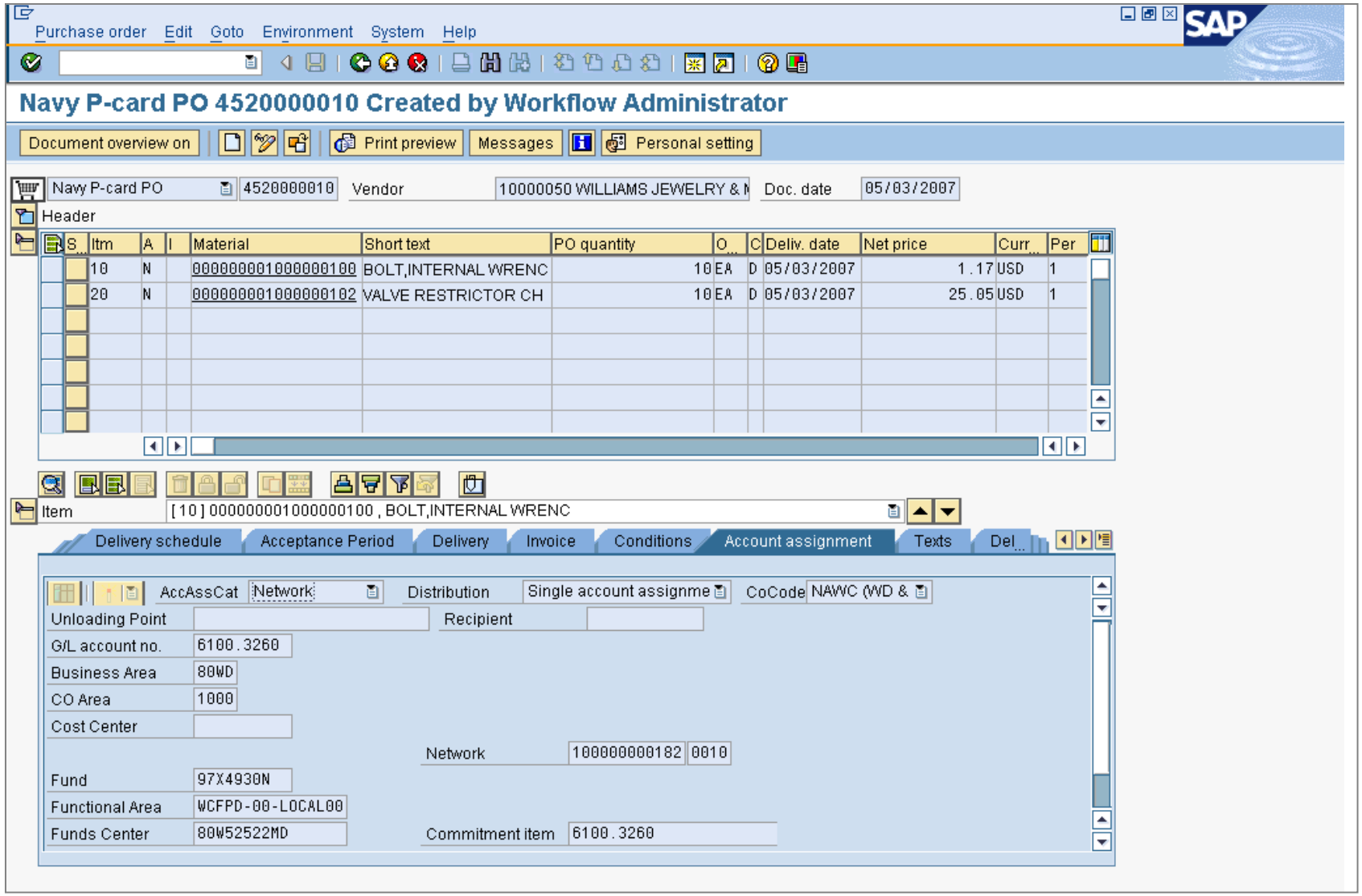
- The vendor master database contains information about the vendors that supply an enterprise. This information is stored in individual vendor master records. A vendor master record contains the vendor’s name and address, as well as data such as:– The currency used for ordering from the vendor
- Terms of payment
- Names of important contact persons (sales staff)
- Accounting information*
- The vendor master record is maintained by both Accounting and Procurement.

*In Financial Accounting, vendors are generally creditors (accounts payable). The vendor master record also contains accounting information, such as the relevant control account (reconciliation account) in the general ledger.

P-Card PR


Purchase requisition Edit Goto Environment System Help
SAP
Display Purch. requisition 1100000040
Document overview on
Personal setting
Navy Local Pur. Req.
1100000040
Header
Default values
St... Item A I Material Short text Quantity Unit C Delivery date Matl group Plant Stor. loc. PGr Re
1 N 0000000010(BOLT,INTERNAL WRENC 10 EA D 05/03/2007 Bolts NAWC WD CH N2C
2 N 0000000010(VALVE RESTRICTOR CH 10 EA D 05/03/2007 Valves, Nonp NAWC WD CH N2C
Item
[1] 00000001000000100 , BOLT,INTERNAL WRENC
Valuation
Account assignment
Source of Supply
Status
Contact person
Release strategy
Texts
AccAssCat Network
Distribution Single account assignme
CoCode NAWC (WD &
Unloading Point
Recipient
G/L account no. 6100.3260
Business Area 80WD
CO Area 1000
Cost Center
Network 100000000182 0010
Fund 97X4930N
Functional Area WCFPD-00-LOCAL00
Funds Center 80W52522MD
Commitment item 6100.3260

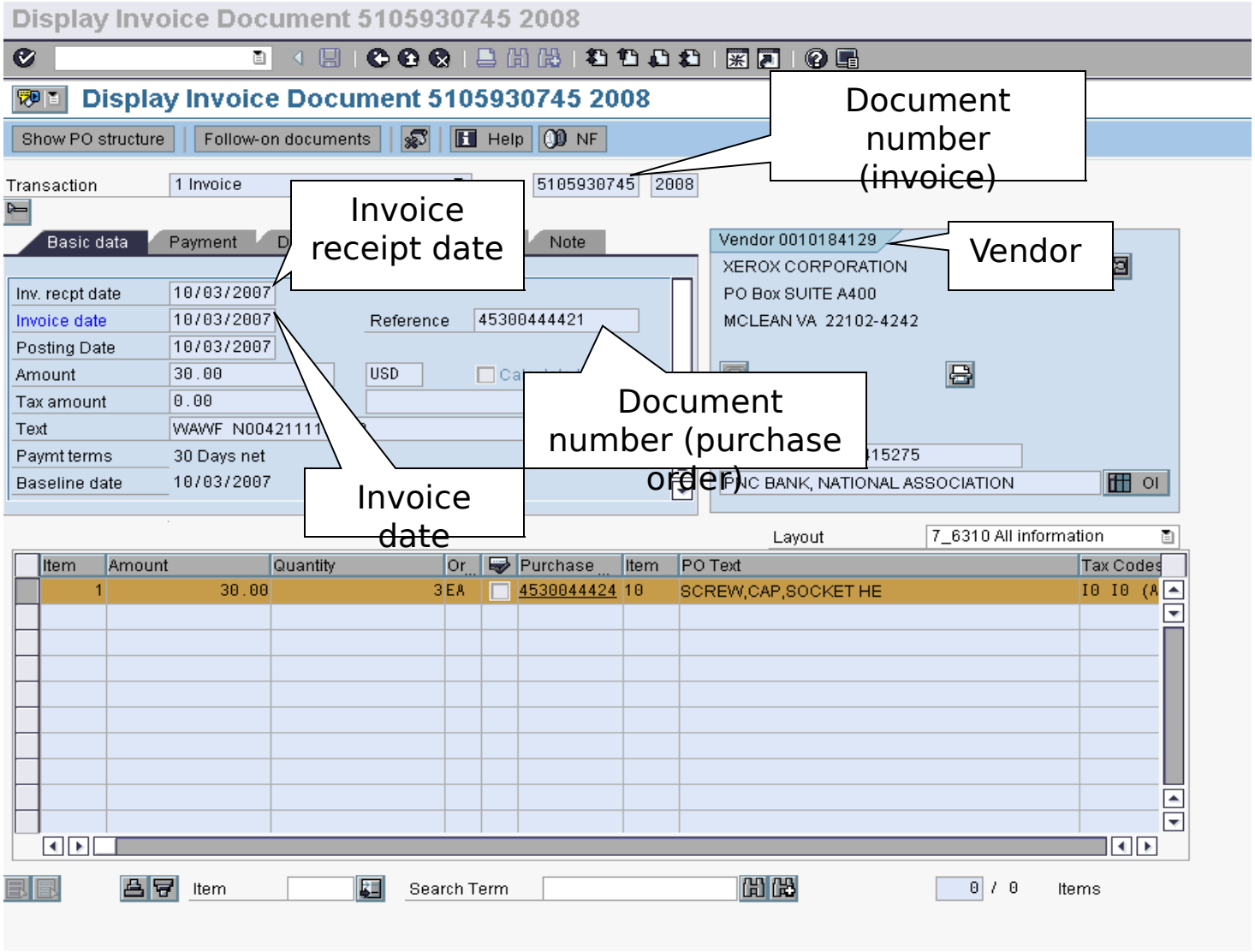
P-Card PO


Purchase order Edit Goto Environment System Help
SAP
Navy P-card PO 4520000010 Created by Workflow Administrator
Document overview on
Print preview
Messages
Personal setting
Navy P-card PO
4520000010
Vendor
10000050 WILLIAMS JEWELRY & M
Doc. date
05/03/2007
Header
S Itm A I Material Short text PO quantity O C Deliv. date Net price Curr Per
10 N 000000001000000100 BOLT,INTERNAL WRENC 10 EA D 05/03/2007 1.17 USD 1
20 N 000000001000000102 VALVE RESTRICTOR CH 10 EA D 05/03/2007 25.05 USD 1
Item
[10] 000000001000000100 , BOLT,INTERNAL WRENC
Delivery schedule
Acceptance Period
Delivery
Invoice
Conditions
Account assignment
Texts
Del...
AccAssCat
Network
Distribution
Single account assignme
CoCode
NAWC (WD &
Unloading Point
Recipient
G/L account no.
6100.3260
Business Area
80WD
CO Area
1000
Cost Center
Network
100000000182
0010
Fund
97X4930N
Functional Area
WCFPD-00-LOCAL00
Funds Center
80W52522MD
Commitment item
6100.3260

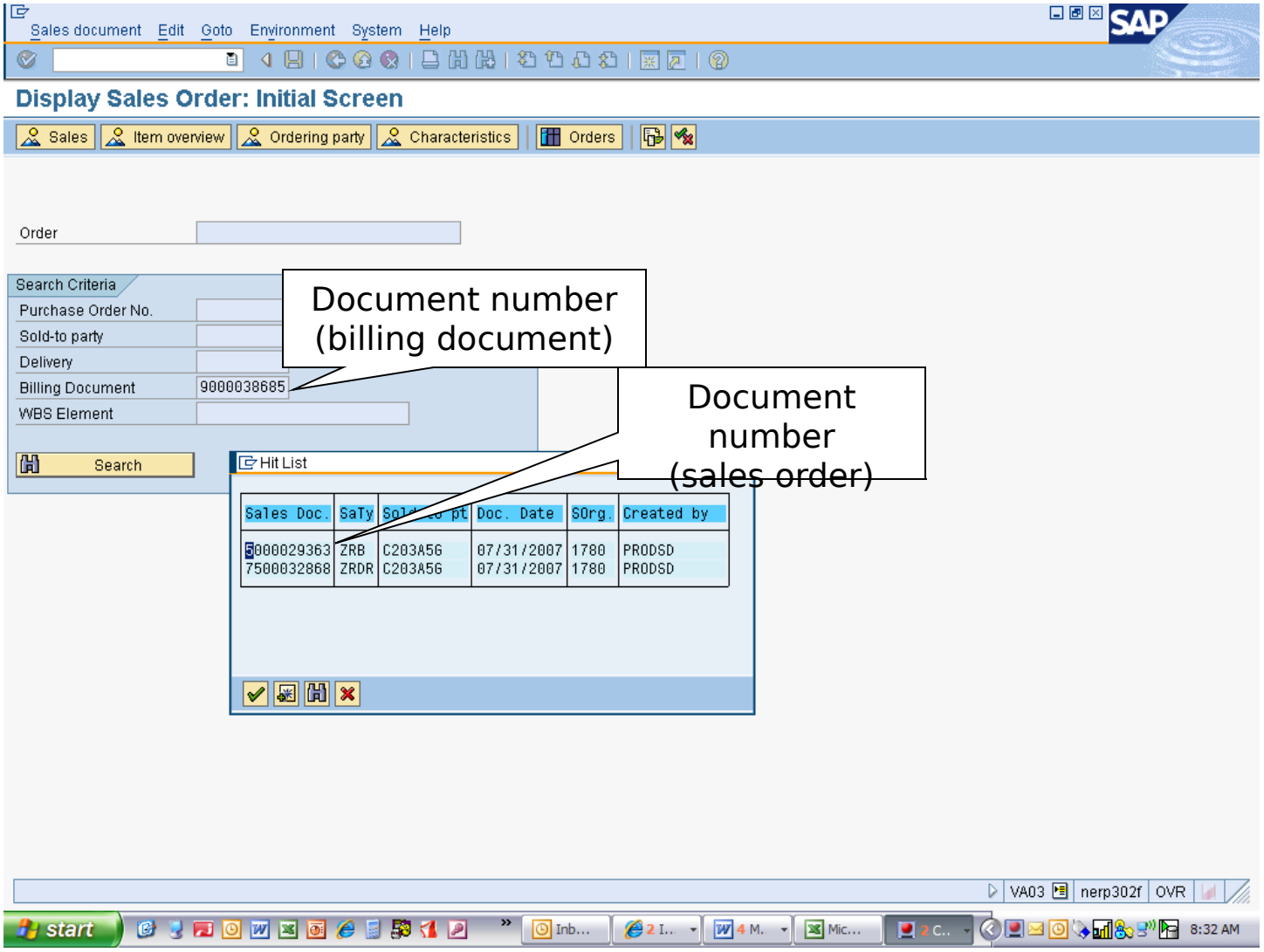
Accounts Payable/Accounts Receivable – Terminology

- **Vendor** — business partner that provides materials or services.
- **Invoice receipt date** — specifies the date on which the invoice was received.
- **Invoice date** — the date the vendor stamps on the invoice.
- **Document number** — a 10 digit sequential number uniquely identifying a posted document in Navy ERP. The document number is unique for a given company code and fiscal year.
- **Account** — key to identifying an account in the general ledger.
- **Accounts Receivable** — Process of sending invoices to customers, receiving payment, and applying payment to the proper open receivables.
- **Customer** —Navy ERP Code that identifies a customer. A customer is a business partner who orders goods and/or services. The customer number for Navy will reference the DODAAC number assigned from the DODAAF file.
- **Document number** — A 10 digit sequential number uniquely identifying a posted document in Navy ERP. The document number is unique for a given company code and fiscal year.

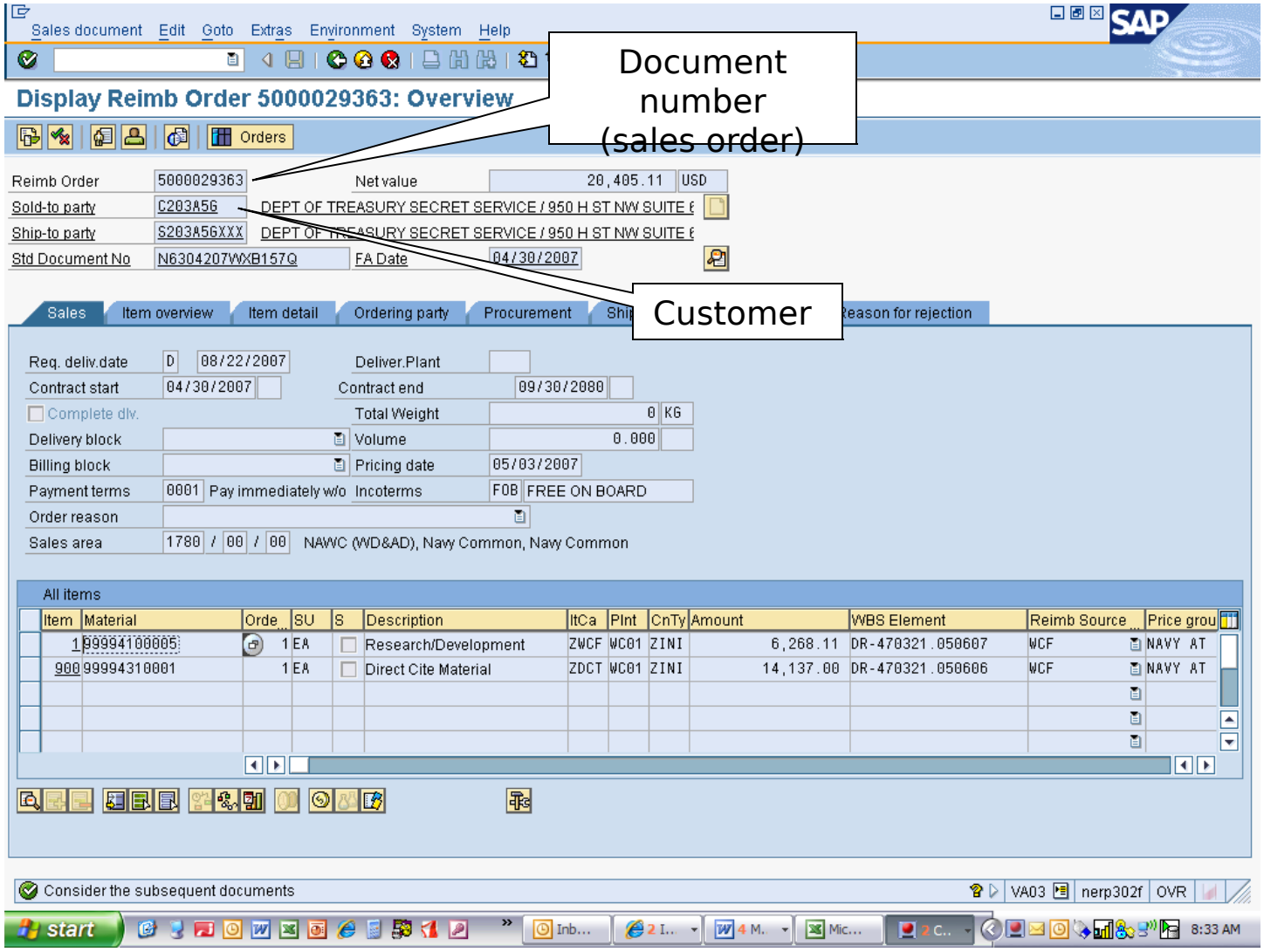
Accounts Payable



Accounts Receivable



Accounts Receivable


Sales document Edit Goto Extras Environment System Help
SAP
Display Reimb Order 5000029363: Overview
Orders
Document number (sales order)
Customer
Reimb Order 5000029363
Net value 20,405.11 USD
Sold-to party C203A5G DEPT OF TREASURY SECRET SERVICE / 950 H ST NW SUITE
Ship-to party S203A5GXXX DEPT OF TREASURY SECRET SERVICE / 950 H ST NW SUITE
Std Document No N6304207WXB157Q FA Date 04/30/2007
Sales
Item overview
Item detail
Ordering party
Procurement
Reason for rejection
Req. deliv.date D 08/22/2007
Deliver.Plant
Contract start 04/30/2007
Contract end 09/30/2080
Complete dlv.
Total Weight 0 KG
Delivery block
Volume 0.000
Billing block
Pricing date 05/03/2007
Payment terms 0001 Pay immediately w/o
Incoterms FOB FREE ON BOARD
Order reason
Sales area 1780 / 00 / 00 NAWC (WD&AD), Navy Common, Navy Common
All items
Item Material Orde... SU S Description ItCa Plnt CnTy Amount WBS Element Reimb Source... Price grou
1 99994100005 1 EA Research/Development ZWCF WC01 ZINI 6,268.11 DR-470321.050607 WCF NAVY AT
900 99994310001 1 EA Direct Cite Material ZDCT WC01 ZINI 14,137.00 DR-470321.050606 WCF NAVY AT
Consider the subsequent documents
VA03 nerp302f OVR
start
8:33 AM

Play to Pay Benefits

- Supply and maintenance in same system with integrated execution
- Fully financially and logistically compliant for inventory, procurement, and tracking to include sponsor owned material (SOM)
- Ability to reconcile credit card items (821 daily) and CITIBANK (810 monthly) statement within Navy ERP
- Ability to systematically generate PRs from within a Project (PROMAN / MRP)
- Single location and greater visibility of Project Stock Items
- Ability to monitor and manage Project Material availability within a central location
- Automated interface to Standard Procurement System (SPS) before converts PRs to POs systematically
- Purchase Info Records programmatically created to link vendors to materials to facilitate the process of creating purchase orders for materials. Each Info Record indicates the current and historical vendor prices for a particular material
- Automated Commitments and Obligations
- Workflowed Approval and Release Strategies
- Replaces manual process with automated Local ATP (Available to Promise)
- Full I&S (Interchangeable and Substitute) functionality
- Manage Vendor-owned material within the plant
- Full Warehouse Management Capability

Acquire to Dispose

- Acquire Asset – Acquire asset through CPP authority, automated PR/PO, or manual acquisition.
- Maintain Asset – Depreciate asset and track property accountability.
- Dispose of Asset – Retire the asset and physically dispose.
- This is the functionality for fixed assets accounting is held (DPAS)
- This is where depreciation is calculated
- This is where military property and minor property can be held
- This can be connected with the planning process or the disposal process for full asset lifecycle

Acquire to Dispose Benefits

- Single system for Property, Plant and Equipment (PP&E) asset visibility, custodial tracking and financial accounting & reporting.
- Eliminates multiple asset management legacy systems.
- Provides complete asset visibility - both accounting and accountability.
- Standardizes Navy asset management processes
- Improves valuation accuracy for contributed, sponsor owned and purchased assets.
- Solution for assets that is integrated with Finance General Ledger, Planning, and Materials Management.
- Asset master records are automatically created from approved Purchase Requisitions (PRs) and have value posted upon goods receipt for statistical reporting of SOE and minor property.
- Navy ERP asset master record information can be downloaded/uploaded to facilitate physical inventory counts and is easily integrated with automated information tracking (AIT) solutions.
- Use of workflow notification for asset transfers between custodians and/or cost centers within the Navy.
- Unposted/Unbarcoded report gives immediate visibility to newly created assets.
- Improves reconciliation accuracy of PP&E sub ledger against General Ledger accounts.

Check In - Check Out

Personnel Administration

- Awards, leave requests, training requests

Personnel Time Management

- Personnel time recording (WBS, cost)
- Civilian Time and Attendance interfaced to DCPS for payroll

Employee Self Service / Manager's Self Service

- Leave requests (civilian)
- Contact information
- Time approval
- Workflow approvals

Navy ERP will NOT be the HR system of record!

Time Keeping/Time Certification

Time Keeping/Certification

- Individuals will enter their time directly into Navy ERP on a weekly basis.
- Supervisor, Certifier, or Team Leader certifies the time that has been recorded for employees on a weekly basis.
- Once approved, the employee’s time record is available to be transferred to other SAP modules and copied to the Certification database for further processing.
- All civilian time records must be certified. Non-certified civilian time records will not be sent to the Defense Civilian Payroll System (DCPS) interface.
- Supervisor, acting supervisor, other designated user authorized to act as an alternate, will perform the certification processes.
- The certification process for Military time data is optional. The decision to use the process is determined by the local command.

Direct Labor Transfers

Labor Transfer Process

- All direct and reimbursable labor is transferred to a network activity (network activities make up projects/WBS) and credited to the employees home cost center.
- There are hard funding controls on all labor transfers. If there is insufficient funding on a project, the dollars will not transfer to the project, only the hours.
- Funding Controls are set at the time labor is transferred and not at time entry.

Undistributed Labor

- Failed labor transfers are identified as undistributed labor.
- All labor expense associated with failed transfers remain in the employee's home cost center, until funding become available on the project.
- There are several custom reports that identify and control all undistributed labor.
- Once funding becomes available the command can reprocess these failed transactions through a custom transaction (ZRCCC0007).

DCPS – Labor Interface

Gross Pay (GPR) Processing

- All labor is expensed to the employee's home cost center.
- Soft funding controls have been established– gross pay entries will not fail due to funding.
- Errors or failures will mainly occur at the time of posting due to missing or erroneous line of account.

Unallocated Labor

- These are GPR entries that fail to post to the Employee's home cost center.
- Labor analyst has the capability to correct and reprocess failed entries.
- All entries that have not posted by month-end, are expensed to a default cost center for each command…..accounting for all labor expense for that month.
- Once the unallocated labor is corrected and reprocessed to the employees home cost center, the month-end entry to the default cost center is reversed.

Check In Check Out Benefits

- Combines personnel data (DoD Civilian, Military, and Contractor) from multiple systems to provide enterprise wide accessibility and operational reporting.
- Standardized/streamlined labor process provides for common schema with less overhead support.
- Standardized custom time certification and transfer approval process.
- Interfaces with authoritative DoD/DoN systems of record to ensure single point entry and data accuracy.
- Reduce total cost of ownership through formal MOA’s and a common interface design.
- Provides underlying structure for workflow enablement.
- Personnel data reporting for supervisors and team leads.
- Source Data Automation (SDA) interface as the authoritative system of record for civilian time and attendance recording to Defense Civilian Pay System (DCPS)

Post to Report

Prepare Month-end & Year-end Closing

-Open/Close Periods in FI, FM and MM
-Clear Open Items in AP, AR and GL
-Asset Depreciation
-Cost Center Allocations
-Project Settlements
-Interfaces from DCAS, DTS and DCPS

Execute Month-end Closing

-FM Reconciliation and Reconstruction
-Outbound extracts to DCD, DONIBIS and DDRS
-Outbound ABC extract to SAS

Execute Year-end Closing

-Fiscal Year Change for Assets
-Asset close at Year-end by Company Code
-Close and reassign commitments
-Close unfilled obligations and budget accounts with residual balance
-Carry forward end of year balances
-Generate key reports

Monthly Reports Slide

Post to Report Benefits

- Navy ERP is the Accounting “System of Record” for all activities using NAVY ERP
- Common Budget Structure and organization structure across entire Navy
- We own our own “checkbook” for Vendor Pay – Navy ERP is the System of Entitlement
- The ability to place hard controls (control totals) and send warnings to ensure end users do not exceed budget authority. This allows the command to be informed and aware of funding concerns and the end-user over/under spending their allocated budget amount
- Significant process improvement over Legacy and the ability to leverage ECC 5.0 vastly improves the close process over Legacy (~500%)
- Cross module integration between modules and budget execution. For example: When an end-user enters a contract, creates a PR and PO against the contract, and wants to view real-time funds availability after obligating the funds

Navy ERP Glossary

Navy ERP Glossary

Name	Definition
A	
Account	key to identifying an account in the general ledger
Acquisition number	The document number that supports the acquisition is entered here. For assets created by the Asset Creation Program, the SAP PO number is systematically recorded here.
ACRN	Accounting Classification Reference Number
Activity Types	Are used to transfer cost from sending cost centers to receiving cost objects. Activity Types have rates assigned to them and have a unit of measure in terms $/hour or $/test
Actual Dates	Date type that specifies the exact date or period during which a business transaction has taken place .
Allocation	Process of moving costs from one cost object to another. Types of allocations include activity allocation, assessment, distribution, indirect activity allocation, periodic reposting, and settlement.
Allocated Actual Costs	Process of moving costs from one cost object to another. Types of allocations include activity allocation, assessment, distribution, indirect activity allocation, and settlement.
Allotment	A specific authorization by the head of an agency (or other authorized employee) to a designated subordinate to incur obligations within a specified amount (Echelon II transfers budget to Echelon III or makes entries to allow Echelon II to use the budget). Obligations or outlays cannot be made in excess of the

Navy ERP Glossary

Name	Definition
A	
Anticipated Reimbursement	In transactions between Government accounts, orders expected to be received but for which no orders have been accepted.
Appraisal Catalog	Used to manage appraisal templates
Appraisal Template	A template used to create an appraisal document
Apportionment	A distribution made by OMB of amounts available for obligation in an appropriation or fund account (Navy records the budget). Apportionments divide amounts available by specific time periods (quarter, period, not subject to apportionment) activities, projects, objects, or a combination thereof. The amounts so apportioned are a large limitation on the amount of obligations that may be incurred. The apportionment process is intended to prevent obligation of funds in a manner that would require supplemental or deficiency appropriations and to achieve the most effective and economical use of amounts made available for obligation.
Appropriation	Funding authority approved by the Congress and signed by the President to expend a given amount of funds to carry out federal programs. The appropriations act specifies an amount of funding in each appropriation (fund) account of an agency.
Appropriation Warrant	An official document issued by the US Treasury that establishes, by appropriation symbol, the individual amounts appropriated by Congress.
Asset (number)	This is the number which, together with the asset sub-number, identifies a fixed asset in Asset Accounting
Asset class	The main criterion for classifying fixed assets according to legal and management requirements

Navy ERP Glossary

Name	Definition
A	
Asset Master Records	Will be created from acquisition transactions through the MM purchase requisitions, the Project Systems (PS) auto-create program for CPP assets, receipt and/or reclassification of sponsor-owned items, contributed assets or pushed items, gains by inventory or reclassification of excess items.
Asset Sub-Number	Number to identify a component associated with the original asset
Asset Super Number	A number to which two or more individual assets can be assigned (for example, a production line) for analysis and reporting purposes
Asset Transfer	Process of reallocating an asset within or between company codes to split up an asset or when it's physical location or organizational structure is changed
Asset Under Construction (AUC)	A fixed asset that is in the process of being completed at the time the balance sheet is being produced
B	
Base Planning Object	An element of data by which low level detailed planning may be accommodated on a WBS element. For the Navy there are 3 groups of base planning objects defined: government vendors, non-government vendors and cost elements.
Book	Enroll participants for courses
Budgetary Ledger	A set of accounts that reflects budget consumption due to the creation and posting of documents, for example as commitments, obligations, unpaid/received, and paid.
Budgetary Ledger Documents	Are created internally within the system to record the affect of those transactions on the appropriate general ledger accounts.
Budgetary Ledger Posting	Automatic entry in Navy ERP made to the general ledger triggered by activity in another module.

Navy ERP Glossary

Name	Definition
B	
Budget Object	Funding is attached to 5 pieces of master data: Fund, Funds Center, Functional Area, Commitment Item, and Funded Program.
Business Area	A business unit or division for which an internal balance sheet or profit and loss statement can be prepared. The balance sheet and profit and loss statement do not need to comply with all the legal requirements for external financial statements.
Buyer MILSTRIP	Creates manual MILSTRIP Purchase Requisitions for submission to the supply system.
C	
CATA	Is the standard SAP transaction that transfers activity type quantities from the SAP time input screen to cost objects such as Network Activities, Internal Orders, Cost Centers and Maintenance Orders
Categories	Structure element in the appraisal catalog in which you can group Appraisal Templates
Category Groups	Highest level structure element in the appraisal catalog under which you create different appraisal-process categories such as personnel appraisals, course appraisals, and employee surveys
Civilian Manning Role	Responsible for local maintenance of Civilian personnel records within SAP
Clearing	Matching credits and debits in an account and marking them as cleared items.
Clearing indicator	Indicates that payment is made and the transaction is closed. No further processing is possible until the document is reset.
Collective Number	A number used to group together all the individual RFQs issued to potential

Navy ERP Glossary

Name	Definition
C	
Commitment items	Represent the functional grouping of expenditures and revenues within a financial management area (FM area).
Company Code	A 4-digit code representing an Organizational Structure within Navy ERP closely aligned with the Navy's Budget Submitting Office (formerly "major claimants") structure. The company code naming convention consists of the agency code for Navy "17" and the code for the budget submitting office, such as "19" for NAVAIR or "39" for SPAWAR.
Continuing Resolution	Legislation enacted by Congress to provide budget authority for Federal agencies and/or specific activities to continue in operation until the regular appropriations are enacted. Continuing resolutions are enacted when action on appropriations is not completed by the beginning of the fiscal year. The continuing resolution usually specifies a maximum rate at which the obligations may be incurred, based on the rate of the prior year, the President's budget request, or an appropriation bill passed by either or both Houses of Congress.
Cost Accounting	Process of tracking, recording and analyzing costs associated with the products or activities of an organization. Managers use cost accounting to support decision making to reduce a company's costs and improve its profitability.
Cost Center	An area of responsibility for capturing costs.
Cost Element	Primary cost elements have a one-to-one relationship with general ledger expense accounts. Whenever costs are posted, they must be assigned to a specific cost element. Secondary cost elements, used to record internal allocations, have no counterpart in the financial accounts and are maintained exclusively in cost accounting.
Cost Element Planning	Creating a plan based on estimated primary and secondary costs to be incurred on a Cost Center, order, or project.

Navy ERP Glossary

Name	Definition
C	
Cost Object	A cost collector in Navy ERP providing various means to collect and manage costs. Examples of cost objects include Cost Centers, Network Activities, internal orders, and maintenance work orders.
Costing Sheet	Templates that define how values posted in the SAP System are calculated. They are also used to define how overhead estimates are calculated and posted for project allocations. Parameters include allocation basis, allocation percentage, posting cost elements, and the credit object.
Course	A scheduled session of a course type (for example, training course - Lead 101), further categorized as a course group (a categorization of training courses - Leadership)
Course Catalog	Hierarchical structure containing all course groups, course types, curricula, and courses
Course Group	Groups together course types that have similar characteristics or related subject matter (for example, language courses)
Course Type	Generalized description of a course ,including relevant information such as contents, schedule, capacity, and language
Criteria	Element in the appraisal catalog that you use to represent objectives and qualifications in an appraisal
Criteria Groups	Element in the appraisal catalog used as a structure node in an Appraisal Template under which you can group individual criteria
D	
Debit/Credit Memo	Navy ERP term equating to an invoice or billing document that is sent to the payer for payment/credit.
Delimit	A process to shorten the validity period of an object or Info type record by

Navy ERP Glossary

Name	Definition
D	
Depreciation	The reduction of the asset book value because of decline in economic usefulness or because of legal requirements for taxes
Depreciation area	Used to calculate and store different values in parallel for each fixed asset for a particular purpose
Direct Cite	An organization procuring goods and sending another organization's line of accounting out on the procurement document.
Distribution Channel	Way in which products or services reach the customer. Typical examples of distribution channels are wholesale, retail, or direct sales. Within a sales organization, it is possible to deliver goods to a given customer through more than one distribution channel. Navy will utilize a single distribution channel to represent its sales.
Distribution Key	A tool for distributing planned values across periods. The distribution key selected will determine the method used to allocate the total planned amount across the periods of the fiscal year.
Division	Navy divisions will identify the sales as "service" for cost reimbursable work. For supply sales, the division will represent the budget program (i.e. BP28)
DMS Procurement	This role provides access to procurement documents within the Document Management System (DMS).
Document	Record of a business event that has occurred and has processed in Navy ERP. A document is the link between the business transaction and the posting in accounting

Navy ERP Glossary

Name	Definition
E	
Earmarked funds document	A business transaction in Funds Management which can claim already allocated budget for expenditures.
Earned Value	Is also called Budgeted Cost of Work Performed (BCWP). It is the value of the completed work expressed in terms of the budget assigned to that work. The value can be expressed in hours, costs, units, or percent complete.
Earned Value Management	An integrated management system that uses earned value to measure progress objectively.
Existing asset	An existing asset master record to be capitalized in asset accounting.
F	
Financial Accounting	Concerned with the preparation of legal financial statements for external decision makers (government, auditors, shareholders etc.).
Financial Management (FM) Area	The highest level in the FM organizational hierarchy. FM area is always 1000 for Navy.
Fiscal Year	Indicates the accounting year the document will be posted to
Follow up	An activity performed on a course that triggers several possible activities such as showing the course as completed, imparting qualifications, updating the development plan to a complete status, or canceling the course
Forecast Dates	Dates in the project indicating when you expect to perform activities and WBS elements.
Functional Area	A classification of financial information which includes RDT&E project unit, line item, SIC, OMN project unit, WCF cost categories for DONIBIS.

Navy ERP Glossary

Name	Definition
F	
Fund	A separate and distinct fiscal/accounting object containing a complete self-balancing set of accounts used to segregate cash and other financial resources, together with associated liabilities, residual equities, and related changes. The first two characters of the fund will identify the appropriation (except for Direct Cite, Allotments received, and FMS Admin). The third and fourth characters will identify the beginning year of the appropriation. The fifth character will identify the length of the appropriation. The last five characters will further define each appropriation.
Fund Center	Identifies the organization within Funds Management. Funds centers are clearly defined areas of responsibility in Funds Management. The first three characters of the fund center will identify the major command, PEO or Fleet, and organization. The next seven characters identify departments, division, branches, and/or shops, depending on organization.
Fund Document	A legal Department of Defense (DoD) form used to transfer funding between government organizations in order to obtain goods or services.
Fund Management	SAP Funds Management Module. Funds management refers to money having the ability to expire, to be cancelled, or what it can be used for being changed. Money has a certain time to be allocated and spent, and there's a funds master schedule to manage these activities.
Funded Program	An element in FM which allows closer integration of FM to SD and PS, the default funded

Navy ERP Glossary

Name	Definition
I	
Incoterms	Internationally accepted terms describing when ownership is transferred during shipping. Examples include: free on board (FOB) and cash on delivery (COD).
Indirect activity allocation	Allocation of one or more activity types from a Cost Center to another cost object using something other than the actual activity consumption (such as statistical key figure or fixed percentages) of the receiver as a basis.
Infotype	A group of object-based information of a particular area; data stored in an Infotype is always based on the personnel number of an employee or the applicant number of an applicant
Internal order	An instrument used to monitor costs and, in some instances, the revenues of an organization.
Intra-company asset transfer	A transfer of one asset master record to a target asset master record within a single company code.
Invoice Date	The date the vendor stamps on the invoice.
Invoice Receipt Date	Specifies the date on which the invoice was received.
Invoicing Plan	A credit-side schedule for the planned outgoing payments made for an externally procured network activity or for an externally procured component. The invoicing plan contains invoice and down payment dates
K	
Key figures	Values or quantities, such as sales revenue, fixed costs, sales quantity or number of employees. In addition to the key figures saved in the database, you have the option of defining derived (calculated) key figures in the query definition in the Business Explorer.

Navy ERP Glossary

Name	Definition
L	
Line Item	A document may contain several line items. Each line item represents a distinct action or transaction
M	
Maintenance Order	A document that is used primarily to track the costs associated with the maintenance and repair of plant equipment, but can also be used to track the costs of non-maintenance related activities. A detailed planning aid for maintenance tasks to be performed.
Master record	Group of related master data that is categorized based on content
Managerial Accounting	Provides accounting information to help internal managers make decisions to manage the business.
Material Requirements Planning	Determines how the source of supply defined in the source list record is used in MRP
MILS purchase orders	Purchase orders that will be sourced to government vendors and that communicate MILS data via DLMS (Defense Logistics Management Systems) messages.
MIPR	Military Interdepartmental Purchase Request (DD448 form)
N	
Navy ERP Dynamic Menu	Data-driven menu where data created in one menu is automatically updated and ready for editing in the other Training Management menus
Network	A work package that describes detailed tasks.
Net Price	Price (rate) of the item after any discounts and surcharges are applied.

Navy ERP Glossary

Name	Definition
N	
Non-Navy Personnel Administration Role	Responsible for local maintenance of Non-Navy personnel records within SAP
O	
Overhead Costs	Costs that cannot be traced directly to a particular cost objects.
Overhead Key	A tool that enables you to calculate a percentage overhead rate for specific orders or materials.
P	
Payment proposal	A list of open items proposed for payment by the system in the automatic payment program.
Payment update	Posting payments relating to the selected open items from the payment proposal. The payment run updates account balances.
Periodic reposting	Function that lets you correct postings to Cost Centers. Periodic reposting is an allocation method that uses rules defined in the form of cycles to credit allocation Cost Centers. These allocation Cost Centers are used to collect the postings relevant for cost accounting.
Personnel number	A unique, eight-digit identification number for personnel assigned by the system
PERT Chart	Program Evaluation and Review Technique (PERT) chart is a visual tool that project management uses to schedule, organize, and coordinate activities of their project
Planning Board Profile	A profile set up in the system that controls the configuration settings for the Project Planning

Navy ERP Glossary

Name	Definition
P	
Plan Version	In the current plan version you create your current valid organizational plan. This is also the integrated plan version that would be taken into account in integration with Personnel Administration. This will always be Current Plan.
Posting	The activity of making entries in a ledger. Posting takes place in the form of document entry.
Post capitalization	Correction of the value of an asset, which was either set too low due to not carrying out a capitalization in the past, or which was treated entirely as expense.
Pre booking	A function used to make a preliminary booking for a participant for a course
Primary cost element	Object to which material, labor, or external service costs are posted.
Profile	A code or title that represents a unique Personnel Development Profile
Profile Match up	Qualifications and requirements comparison for identification of qualification deficits
Project	A business undertaking involving a predetermined goal to achieve with prescribed funds and operating resources, to an agreed level of quality, and by a particular date.
Project Builder	The Project Builder is a user-friendly method of accessing the Project System, which enables you to edit your projects quickly and efficiently.
Project Planning Board	Transaction in SAP that simplifies planning and controlling projects. Project planning board allows integrated processing of your project, giving you a graphic overview of the project objects. In the graphic interface you can create, edit and evaluate all the data for a project. You can change the appearance of the project planning board to suit your

Navy ERP Glossary

Name	Definition
Q	
Quotation	Offer from a vendor to a purchasing organization regarding the supply of materials or performance of services subject to predefined terms and conditions.
R	
Request for quotation	Request from a purchasing organization to a vendor (external supplier) to submit a quotation with regard to the supply of materials or the performance of services.
Rescission	The consequence of enacted legislation that cancels budget authority previously provided by Congress before the time when the authority would otherwise lapse.
Reimbursable Funding Document	Is a request for services, including required material and outside support placed by a requiring Department of Defense, (DoD) component; to another DoD component or federal agency for subsequent delivery and reimbursement by the requiring DoD component.
Resource sponsor	Organization responsible for providing funding to the project object
Resource Type	A general grouping of resources that have typical features in common (Navy ERP distinguishes only two classifications of resource types: room and instructor)
Retirement	The removal of an asset from the asset portfolio
Revaluation	The act of determining the change in cost of goods or services that have previously been costed.
Reversal	The process of reversing a document by posting another document with equal amounts to the opposite sides of the same accounts.

Navy ERP Glossary

Name	Definition
S	
Sales Organization	An organizational unit responsible for the sales of products and services. Navy sales organizations are aligned 1:1 with Navy company codes.
Secondary cost element	Cost element that is used to allocate costs between cost objects within the same company code.
Selection Variant	Saved selection criteria used to generate reports. Instead of entering new criteria every time a report is executed, sets of criteria can be stored. Reports can have different variants associated with them, with each variant providing different information.
Service entry sheet	List of services performed by a vendor on the basis of a purchase order, containing service descriptions and details of quantities and values.
Settlement	Full or partial allocation of costs from one object to another.
Settlement receivers	The key field for the specific object within the category that will hold the costs after the project is settled. Examples of settlement receivers are general ledger accounts, assets, orders, materials, WBS elements and Cost Centers.
Standard Document Number	Reference number used by legacy systems as their unique document identifier
Standard Procurement System	SPS is a DoD mandated contract-writing system.
Statistical key figure	Activities or statistics in a Cost Center. They are measured in units of time or quantity. Examples are: floor space in square feet, water in gallons, and electricity in kilowatt/hours.
Substitution	An automated process for replacing values in asset master records.

Navy ERP Glossary

Name	Definition
T	
Time Events	Saved time postings, such as clock-ins, clock-outs, or start/end of work; typically posted to an external time recording system and interfaced with Navy ERP.
Tolerance limit	A limit up to which invoice variances are accepted by the system without query. If the tolerance limit is exceeded, the relevant items are blocked and payment cannot be effected.
U	
Unplanned depreciation	A foreseeable, lasting reduction in the value of the asset because of unplanned circumstances
V	
Variant	A selection of potential selection options when running a report which can be saved and reused.
Vendor	Business partner that provides materials or services.
Version key	The identification for the simulation version. Each version key must start with SM-. The next 6 characters are the same as the last six characters of the project definition. The next three characters represent the simulation version number. (e.g. The first simulation for project DR-999999 should have a version key of SM-999999.01, the second simulation for project DR-999999 should have a version key of SM-999999.02).
W	
WBS element	A deliverable-oriented project element which organizes and defines the scope of

Navy ERP Glossary

Name	Definition
W	
Workflow	Navy ERP technology and tool for the automatic control and execution of cross-application processes. Primarily involves coordination of the person involved, the work steps required, and the data to be processed.
Worklist	List of all work items assigned to a user at a particular time. The user is one of the recipients of each of the work items. The worklist is located in the workflow inbox in the Business Workplace.
Work Schedule Rule	Defines working times such as shifts, continuous labor, or flextime for workforce and work process scheduling

DoD/DON Acronyms

DoD/DON Acronyms

Name	Definition
A	
AFB	Air Force Base
AFS	Auditable Financial Statement
AIMD	Aviation Intermediate Maintenance Department (Echelon 3)
AMC	Air Mobility Command
AMC	Army Materiel Command
ANS	American National Standards Institute
APS	Advance Planning System
ASN (FM&C)	Assistant Secretary of the Navy (Financial Management and Comptroller)
ASN (RD&A):	Assistant Secretary of the Navy (Research Development and Acquisition)
B	
BEA	Business Enterprise Architecture
BEIS	Business Enterprise Information Services
BMMP	Business Management Modernization Program
BSM	Business System Modernization
BTA	Business Transformation Agency

DoD/DON Acronyms

Name	Definition
C	
CAMS-ME	Capital Asset Management System – Military Equipment
CCR	Central Contractor Registry
CDD	Capabilities Development Document
CDS	Contractor Debt System
CEFT	Contractor Electronic Funds Transfer Code
CFO	Chief Financial Officer
CJCS	Chairman, Joint Chiefs of Staff
CONOPS	Concept of Operations
COTS	Commercial-Off-The-Shelf
CPD	Capabilities Production Document
D	
DAI	Defense Agencies Initiative
DBMSC	Defense Business Systems Management Committee
DCAS	Defense Cash Accounting System
DCD	DFAS Corporate Database
DCPS	Defense Civilian Pay System

DoD/DON Acronyms

Name	Definition
DCW	DFAS Corporate Database
DCPDS	Defense Civilian Personnel Data System – Sustainment
DDMS	Defense Debt Management System
DDRS	Department of Defense Departmental Reporting System
DEAMS	Defense Enterprise Accounting and Management System
DFAS	Defense Finance and Account Services
DIFS	Defense Integrated Financial System
DIMHRS	Defense Integrated Military Human Resource System
DITSCAP	DoD Information Technology Security Certification and Accreditation Process
DJMS	Defense Join Military Pay System
DLA	Defense Logistics Agency
DoD	Department of Defense
DoDFMR	Department of Defense Financial Management Regulation
DPAS	Defense Property Accountability System
DTS	Defense Travel System
E	
EBSROIPT	Enterprise Business Systems Requirements Overarching Integrated Project Team

DoD/DON Acronyms

Name	Definition
EC	Electronic Commerce
EDI	Electronic Data Interchange
EFT	Electronic Funds Transfer
EFM	Enterprise Financial Management System
ESG	Executive Steering Group
EXCOMM	Navy Executive Committee
F	
F&A/FM	Finance and Accounting/Financial Management
FCP	Forward Compatible Payroll
FDS	Functional Design Specifications
FFC	Fleet Forces Command (Echelon 2 command)
FISCAM	Federal Information Systems Controls Audit Manual
FIP	Financial Improvement Program
FMB	Office of Budget
FMO	Office of Financial Operations
FMR	Financial Management Regulation
FMS	Foreign Military Sales

DoD/DON Acronyms

Name	Definition
G	
GET	Global Edit Table
GF	General Fund (appropriated funding)
GFE	Government Furnished Equipment
GFEBS	General Funds Enterprise Business System
GIG	Global Information Grid
GL	General Ledger
GOTS	Government-Off-The-Shelf
H	
HPIP	Health Professional Incentive Program
HPO	High-Performance Organization
I	
IA	Information Assurance
IGT	Intragovernmental Transaction Initiative
IRB	Investment Review Board
IRS	Internal Revenue Service
ISP	Information Support Plan

DoD/DON Acronyms

Name	Definition
J	
JCIDS	Joint Capability Integration and Development System
JPM	Joint Program Manager
JV	Journal Voucher
K	
KPI	Key Performance Indicator
L	
LMP	Logistics Modernization Program
LSS	Lean Six Sigma
M	
MACOM	Army Major Commands
ME	Military Equipment
MOCAS-R	Mechanization of Contract Administration Services - Rehost
MSC	Military Sealift Command

DoD/DON Acronyms

Name	Definition
N	
NPDM	Navy Program Decision Meeting
NSPS	National Security Pay System
NULO	Negative Unliquidated Obligations
NWCF	Navy Working Capital Fund (Revolving funds)
O	
OA	Operational Architecture
OMB	Office of Management and Budget
ONR	Office of Naval Research (Echelon 2 command)
OOS	Out-Of-Service
OSD	Office of the Secretary of Defense
OV	Operational View
P	
P/B	Program/Budget
P&E	Property and Equipment

DoD/DON Acronyms

Name	Definition
PBAS	Program and Budget Accounting System
PEO (EIS):	Program Executive Office (Enterprise Information Systems)
PO	Purchase Order
PPBE	Programming, Planning, Budgeting, and Execution
PR09	Program Review FY 2009
R	
R3B	Resources and Requirements Review Board
RICE	Reports, Interfaces, Conversion, Extensions
RMC	Regional Maintenance Center (MARMC=Mid-Atlantic RMC) (Echelon 3)
RMD	Requirements Management Division
ROTC	Reserve Officers Training Corp
S	
SAAR	Security Access Authorization Request
SDDC	Surface Deployment and Distribution Command
SFIS	Standard Financial Information Structure
SME	Subject Matter Expert
SPS	Standard Procurement System

DoD/DON Acronyms

Name	Definition
SFFAS	Statement of Federal Financial Accounting Standard
SSP	Strategic Systems Program (Echelon 2 command)
SV	Systems View
T	
T&A	Time and Attendance
TDS	The Distribution System
U	
UDF	User Defined Files
ULO	Unliquidated Obligation
UMD	Unmatched Disbursements
USD AT&L	Under Secretary of Defense for Acquisition, Technology, and Logistics
USSGL	United States Standard General Ledger
USTRANSCOM	United States Transportation Command
V	
VAN	Value Added Network
VPIS	Vendor Pay Invoice System

DoD/DON Acronyms

Name	Definition
X	
XML	Extensible Markup Language
W	
WAWF	Wide Area Workflow
WAWF-RA	Wide Area Workflow - Receipt and Acceptance
Wins	Web Invoicing System
W/OIPTs	Integrated Project Teams (W and I are for different levels of organization)